

PARLIAMENTARY DEBATES

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HOUSE OF COMMONS

OFFICIAL REPORT

FIRST SESSION OF THE FIFTY-FIFTH PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
SIXTIETH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 2010–2012

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THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-FIFTH PARLIAMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 18 MAY 2010]

SIXTIETH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES

VOLUME 526

SEVENTEENTH VOLUME OF SESSION 2010-2012

House of Commons

Monday 28 March 2011

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER in the Chair]

Oral Answers to Questions

WORK AND PENSIONS

The Secretary of State was asked—

Universal Credit

1. **Claire Perry** (Devizes) (Con): What assessment he has made of the potential effects on gender equality of the implementation of his proposals for universal credit. [49037]

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): Before I answer this question, I would like to take the opportunity to offer my condolences—and those, I hope, of the House—to my hon. Friend the Member for South East Cornwall (Sheryll Murray), who had tabled a question for today, but whose husband tragically died last week.

As set out in the equality impact assessment published earlier this month, the effect of the universal credit measures and the Welfare Reform Bill on gender equality are approximately equal; and universal credit will see significant improvements in incentives for both men and women to work. We expect the new system will be particularly helpful to lone parents, including those who are looking for work that will fit in with their children's schooling.

Claire Perry: Many working mothers in my constituency are concerned that the universal credit will mean the loss of their working tax credit and access to child care support. Will my right hon. Friend confirm that support for child care costs will be provided through an additional element as part of the universal credit?

Mr Duncan Smith: That is absolutely what we plan to do. We will bring forward our proposals shortly. The idea is that the available money will continue to be used for child care support. We recognise how important child care is in helping parents, particularly lone parents, to fit in their obligations to work and to look after their children.

Kate Green (Stretford and Urmston) (Lab): Witnesses to the Welfare Reform Public Bill Committee stated last week that incentives for second earners to move into paid employment would be reduced in many cases under universal credit. Will the Secretary of State tell us what assessment has been made of the impact of the universal credit proposals on second earners and on women's economic independence?

Mr Duncan Smith: Yes. The majority of existing and potential second earners will not, on the basis of the figures I have looked at, be affected by the reforms, because the household already has earnings that take them beyond the reach of the benefit system. Approximately—I stress this is an approximate figure—300,000 second earners may see a deterioration in the incentive to increase their hours, and it is possible that some second earners will choose—or may choose as a result of their home commitments—to reduce or rebalance their working hours or leave. However, universal credit will provide much better incentives for the first earner, giving a greater choice to the household about how it wishes to spread its income.

Stephen Timms (East Ham) (Lab): The Secretary of State told us on Thursday that the Government have not yet decided how to support child care costs in universal credit. Is he yet in a position to assure women with children that in the new system they will be better off in work—after child care costs have been taken into account?

Mr Duncan Smith: We are going to bring forward our proposals. It is because we acknowledge the importance of this area that we want to get it right. We are going to consult and we want people to recognise their priorities and have the opportunity to decide with us what they think those are. It is our intention—this can be stated absolutely, because it is the purpose of universal credit—to ensure that people will always be better off in work than out of work.

Disability Living Allowance (Halifax)

2. **Mrs Linda Riordan** (Halifax) (Lab/Co-op): What estimate he has made of the number of people in Halifax who will be affected by planned changes to disability living allowance. [49039]

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): After disability living allowance reform, we will be spending broadly the same in 2015-16 as we spent in 2009-10. At present, some 5,480 people in the Halifax parliamentary constituency are in receipt of DLA. That is after a 30% increase in the number receiving DLA nationwide in the last eight years. We will work with disabled people and the organisations that represent them on the design and delivery of the personal independence payment. Until this work is more advanced, I am unable to predict precisely whether individuals will see a change in their entitlement.

Mrs Riordan: I recently visited Mayfield house, a residential home in Halifax, to meet people who need and rely on DLA. The Government say that they are delaying their cuts to this benefit, but I hope they are not giving false hope to many of my constituents. Will they just admit that they have made a mistake and simply keep this benefit?

Maria Miller: I thank the hon. Lady for giving me the opportunity to clarify the situation yet again, even though the Prime Minister did so last week in Prime Minister's questions. The Government are not removing DLA mobility from care home residents from 2012. We made it clear that we have listened to concerns across the House and from disabled people. We will consider care home residents at the same time as all other recipients—both current and future claimants—as we develop the personal independence payment. What we have uncovered is an unacceptable way in which mobility is often dealt with in care homes, and we will look at that further.

Employment Support Services

3. **Iain Stewart** (Milton Keynes South) (Con): When he plans to respond to the review of employment support services for disabled people conducted by Liz Sayce. [49040]

10. **Jane Ellison** (Battersea) (Con): When he plans to respond to the review of employment support services for disabled people conducted by Liz Sayce. [49047]

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): Liz Sayce is due to submit her independent review of specialist disability employment services by the summer of 2012. We look forward to her recommendations and will respond in due course.

1. [Official Report, 1 April 2011, Vol. 526, c. 10MC.]

Iain Stewart: I very much welcome this review, but will my hon. Friend assure me that it will also specifically consider the potential power of new media and new technologies to unlock additional training and employment opportunities for disabled people?

Maria Miller: As I travel around and speak to disabled people in various types of employment, I hear from them directly how important new media are in helping people in that sector both to obtain jobs and to remain in employment. I am sure that new media opportunities will remain at the heart of the Government's drive to get more people into work.

Jane Ellison: How is the Work Choice programme helping people with disabilities, especially those who need more specialist support?

Maria Miller: As my hon. Friend will know, Work Choice was launched in October last year, and concentrates on both pre-employment and on-the-job support. We will support about 13,000 people a year through Work Choice—people who experience the most difficulties in obtaining employment—and I am sure that it will prove to be an important part of the Government's programme.

Ann Coffey (Stockport) (Lab): Over the coming months, more than 11,000 people in Stockport will be required to attend a local centre run by Atos Healthcare for reassessment of their incapacity benefit. Disability Stockport is worried about the fact that the centre in Deanery Way does not provide easy access for disabled people on foot, and cars cannot park nearby. Atos has not consulted local disability groups about the choice of site. Will the Minister ask Atos to consult them, in order to ensure that the centre is fully accessible for disabled people before the assessment process begins?

Maria Miller: It is vital for such assessment centres to be fully accessible. I should be delighted to take up the point and report back to the hon. Lady.

Fiona Mactaggart (Slough) (Lab): I am still confused after the Minister's reply to an earlier question, in which she said that the proposal to cut mobility allowance for people in residential care homes had been withdrawn. Can she tell us why the proposal is still in the Health and Social Care Bill, and specify the nature of the continuing review of the proposal to which she and other Ministers have referred?

Maria Miller: The provision in the Bill is intended to ensure that there are no overlapping payments for anyone who is receiving other forms of Government money. That is very straightforward. As I told the hon. Member for Halifax (Mrs Riordan), the purpose of the review is to ensure that the most vulnerable members of our community are given the support that they need, and that the current confusion ends.

State Pension Age

4. **Mr Adrian Sanders** (Torbay) (LD): Whether he plans to review the timetable for the raising of the state pension age for women born between December 1953 and October 1954. [49041]

The Minister of State, Department for Work and Pensions (Steve Webb): We recognise the importance of giving people notice so that they can prepare, which is why the timetable for the state pension age changes will not begin to affect people who are due to retire until after 2016. However, life expectancy has increased dramatically. We believe that the timetable in the Pensions Bill provides the best balance between the impact on individuals and fairness to the taxpayer, who will fund the cost of that increased longevity.

Mr Sanders: I think that we all accept what the Minister has said, but it remains the case that a very small group of women who just happen to have been born at a particular time are affected. It cannot be beyond the scope of Government to do something for that group, who at present are being more disadvantaged than anyone else simply because of the time at which they were born.

Steve Webb: My hon. Friend has raised an important point, but of course as soon as we do something for that particular cohort, another of people born a month earlier or later will say "That's not fair", and before we know it we will have delayed the change until 2020 at a cost of £10 billion. Although my hon. Friend asked his question in a characteristically beguiling way, I must tell him that there is no simple way of dealing with that one group.

Glenda Jackson (Hampstead and Kilburn) (Lab): The Minister will be aware that it is increasingly difficult for women over the age of 50 to obtain employment. Given the later pension age that the Government are introducing and the changes in employment and support allowance, women who find it impossible to obtain jobs may find themselves with no financial support at all.

Steve Webb: The hon. Lady has raised an important point about the financial support available to the group concerned. In fact, about 70% of them are in paid employment, and that section of the labour market is doing better than other sections. We reckon that three in five of these women have built up occupational pension rights on which they will be able to draw before they reach the age of 66, and both ESA and JSA will be available in certain circumstances. A combination of sources of income will be available to them.

Harriett Baldwin (West Worcestershire) (Con): In his statement last Wednesday, my right hon. Friend the Chancellor said that he was hoping for

"a new, more automatic mechanism for future increases in the state pension age based on regular, independent reviews of longevity."—[*Official Report*, 23 March 2011; Vol. 525, c. 961.]

With longevity increasing by about a year every year, that brought to my mind the vision of a cohort of people who might never actually reach pension age. Will the Pensions Minister comment?

Steve Webb: Tempted though I am, we do not propose to abolish retirement. What my right hon. Friend the Chancellor said was that we need to take account in a more automatic way. I do not recognise the improvement of one year per year, although it is rising very rapidly. The key is that we need to do things with proper notice

and make sure people have successful longer working lives and therefore build up bigger pensions when they come to draw them.

Rachel Reeves (Leeds West) (Lab): I could not agree more with the points made by the hon. Member for Torbay (Mr Sanders), because the Government's proposals mean 500,000 women will have to wait for more than a year longer before they receive their state pension, while 33,000 women will have to wait for exactly two years longer. With 10,000 signatures now on a petition calling for a rethink, and full-page letters in today's *Times* and *Telegraph* asking the Government to think again, will the Minister now accept that the strength of opposition both in this House and outside is too great for the Government not to think again?

Steve Webb: I am surprised the shadow pensions Minister chose not to raise the issue of the state pension reform announced by the Chancellor in the Budget statement, which will be of particular benefit to this group of women. Many of the women who are aged about 57 spent considerable amounts of time out of work bringing up children, and we will reform the state pension system so that they get a proper pension for the first time.

Work Capability Assessment

5. Annette Brooke (Mid Dorset and North Poole) (LD): What recent progress has been made on implementing the recommendations of the Harrington review of work capability assessment. [49042]

19. Sheila Gilmore (Edinburgh East) (Lab): What recent progress has been made on implementing the recommendations of the Harrington review of work capability assessment. [49056]

The Minister of State, Department for Work and Pensions (Chris Grayling): We are committed to taking forward Professor Harrington's recommendations so that we can make the system we inherited from the previous Government fairer and more effective. Many of the changes he proposed are already in place, and we will implement the remainder by the summer, to coincide with the first work capability assessments of incapacity benefit claimants taking part in the full nationwide reassessment.

Annette Brooke: I thank the Minister for his answer. What guidance and training will be given to decision makers and Atos Healthcare professionals on implementing the new work capability assessment effectively and fairly, and in particular what training will be given for assessing people with fluctuating conditions such as multiple sclerosis and ME?

Chris Grayling: Staff decision makers in Jobcentre Plus and Atos assessors are currently going through a renewed training programme to take into account the changes proposed by Professor Harrington. We have also now moved ahead with, and pretty much put in place, the recommendation to have champions in the network who specialise in dealing with some of the more challenging conditions which will undoubtedly be a factor in the assessments, and on which expertise may not previously have existed to a sufficient degree.

Sheila Gilmore: One of the findings of the Harrington report was that the Jobcentre Plus decision makers were not, in fact, making decisions; rather, they were simply rubber-stamping the Atos assessments. What steps have been taken to ensure that that is no longer the case, and will the Minister publish some figures on this so that we can have some reassurance that that has actually changed?

Chris Grayling: The hon. Lady makes an important point. That was clearly one of the flaws in the system we inherited. We have retrained decision makers, instructing them to take into account a broader range of evidence than simply the assessment so that claimants now have the opportunity to submit proper evidence from their own medical practitioners, and we have made it absolutely clear to decision makers that they are in charge. We have also introduced a process of reconsideration within Jobcentre Plus to reinforce that process.

Jenny Willott (Cardiff Central) (LD): The Harrington review contained some very welcome and important recommendations that the Government are implementing, including on increasing the discretion of Jobcentre Plus staff. In contrast, the Department recently introduced regulations making the descriptors for work capability assessments more prescriptive. As Professor Harrington will now be reviewing the descriptors as well, can the Minister assure the House that the Government will take into account Professor Harrington's recommendations in that area, and look in general at the descriptors being applied to work capability assessments?

Chris Grayling: I can absolutely give that assurance. We want to get this right, and we have introduced these changes because we think they improve the process. For example, we expect more mental health patients to end up in the support group as a result of the changes we have introduced. I have made it very clear to everyone involved that if there are further ways of improving the process, as a result either of recommendations from Professor Harrington or of the experience of the national roll-out, we will move quickly to make the necessary changes.

Dame Anne Begg (Aberdeen South) (Lab): I want to be clear on what the Minister is saying will be in place by June in respect of Professor Harrington's recommendations, and whether that will include the new descriptors—I understand that they will be another year away. I ask about this because my constituents have already been through the system as they are the first to be migrated from incapacity benefit to employment and support allowance. It is important to ensure that they have been assessed properly, because they will also be the first cohort whose contributory ESA will be removed from them after they have been on it for a year—there is an unfairness in that process too.

Chris Grayling: We will take all necessary steps to ensure that the decision-making process is correct. Professor Harrington did not recommend changes to the descriptors ahead of the national roll-out; he recommended that they should be part of the second year review process. I invited him to accelerate that work, and if and when he makes further recommendations, either before or as part of the second year review, we will move quickly to implement them.

Benefit Fraud

6. Andrew Bridgen (North West Leicestershire) (Con): What steps he is taking to reduce the level of benefit fraud. [49043]

The Minister of State, Department for Work and Pensions (Chris Grayling): We are taking all necessary measures to try to clamp down on benefit fraud—we are using the latest technology—and we regard this as a key area for progress. The introduction of the universal credit, which will provide better flows of information around the Department, will make it easier to reduce fraud.

Andrew Bridgen: Can my right hon. Friend confirm that his Department is not only sharing data with other Departments but using the services of credit rating agencies to detect fraudulent claims? Such claims not only unfairly burden the taxpayer but unfairly tarnish those in genuine need of help.

Chris Grayling: I can absolutely give my hon. Friend that assurance. The Welfare Reform Bill improves the flow of information and data sharing within the public sector. I can also confirm that we are now working closely with credit reference agencies—he will understand if I do not give too many details, as I do not want to give the fraudsters advance notice of what is coming.

Jim Sheridan (Paisley and Renfrewshire North) (Lab): The Minister will be aware that companies such as Atos Healthcare, which is French-based, are paid about £100 million per annum by taxpayers, yet in Scotland alone 40% of those deemed "fit to work" won their appeal. Does he think that that is a good use of money? Would it not be better used tracking down those who are avoiding paying tax in this country?

Chris Grayling: The hon. Gentleman is absolutely right to highlight the flaws in the system we inherited from his party when it was in government. We have taken steps to improve the process. The Harrington review was designed to ensure that we have a better and more just process, with fewer appeals being made. I agree with the hon. Gentleman about wanting to see the number of appeals reduced significantly, but it is the right of the individual claimant to appeal if they so choose.

Welfare Reform Bill

7. Damian Hinds (East Hampshire) (Con): What assessment he has made of the potential effects on incentives to work of implementation of the provisions of the Welfare Reform Bill. [49044]

8. Nick de Bois (Enfield North) (Con): What assessment he has made of the potential effects on incentives to work of implementation of the provisions of the Welfare Reform Bill. [49045]

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): The Welfare Reform Bill introduces a fundamental reform of the benefit system and should ensure that work always pays. The universal credit will improve earnings incentives for some 700,000 people and could reduce the number of workless households by about 300,000.

Damian Hinds: Casual work and temporary work are important routes into employment, but many people are put off them, not only by benefit loss but by the complexities they will face. How will my right hon. Friend's welfare reform programme help to address that disincentive?

Mr Duncan Smith: One of the complexities that most people face is the fact that two Departments administer what are, in essence, benefits: the working tax credit and the Department's own benefits system. One of the problems that occurs is that people in difficulty often find it difficult and stressful to figure out who they are supposed to notify of the changes taking place in their lives, their working hours and so on, and they have to go to two Departments to deal with two sets of figures. That will all be sorted out as we bring those together under one benefit. First, these people will not have to notify so many people, and secondly, universal credit will pick up a great deal of that through the real-time system.

Nick de Bois: Does the Secretary of State agree that in addition to the incentives in the Welfare Reform Bill, community initiatives such as the Enfield jobs club, which we launched this morning, play a vital role in securing employment, as does the support of a national charity such as GB Job Clubs?

Mr Duncan Smith: May I take this opportunity to congratulate my hon. Friend on his job club, whose launch I attended? This is a good example of an area where Members of Parliament can help enormously, because by working with their local jobcentres to set up these job clubs, which we now discover work incredibly well with those who are out of work, people can be given real enthusiasm and hope for the future.

Nic Dakin (Scunthorpe) (Lab): Can the Secretary of State give a clear commitment that nobody will be worse off in work when child care and other costs, such as the cost of school meals, are taken into account?

Mr Duncan Smith: With respect, I think the hon. Gentleman will have to wait until I bring the proposals forward. As I said earlier, there is no point in introducing the universal credit unless we stick with our principle that work should always pay better than being out of work.

Ms Karen Buck (Westminster North) (Lab): Work incentives are only effective where there is work. As we now know, unemployment is projected to be at or above 2 million for the life of this Parliament. Will the Secretary of State update us on whether the Treasury has provided him with additional funding to expand the Work programme so that it can take up the additional demand from the workless?

Mr Duncan Smith: The Work programme is well set to cope with all the ups and downs that might take place over the next few years. The reality is that the Opposition go on about there being no jobs, but even now, advertised through the jobcentres, nearly a million new jobs have been placed in the past three months—that is 10,000 a day and about half the total number of new jobs created in the outside world. I say to the hon. Lady, with

respect, that we are making these reforms and changing this complex system because more than half those jobs are likely to go to those from overseas, which does not help at all unless we reform the system to ensure that British people get a shot at the jobs, too.

Stay-at-home Mothers

9. Mr David Burrowes (Enfield, Southgate) (Con): What support his Department provides for mothers who wish to stay at home to care for their children. [49046]

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): All parents have a responsibility to support their families, but we will make it as easy as possible for families to adapt their own working arrangements. The structure of disregards and tapers in the universal credit will make it easier for parents to move into financially rewarding work that they can balance with their child care needs. When the child is very young—pre-school age—one of the parents can always choose to stay at home or to work and, where parents are meeting their responsibilities by working to support themselves and their children, they will have the freedom to decide whether one of them should stay at home.

Mr Burrowes: Does the move towards a single-tier retirement pension that recognises the contribution of stay-at-home mothers signal the value the Government place on the choice of women to give up careers and care for their children?

Maria Miller: As my hon. Friend will know, at the moment parents caring for their children can claim credits for the basic pension, but the credit for the second pension is more limited and has only come in since 2002. Our proposals to put in place a single-tier pension would have the advantage of making one year of caring worth the same as a year of working.

Kerry McCarthy (Bristol East) (Lab): Obviously, the Minister will be aware that it is not just women who bring up children, and it is often not just the parents, either. I have been speaking recently to groups such as Kinship Carers about the situation that arises when grandparents or older siblings are left with the responsibility of bringing up a child, often having to give up work as a result. What support is available for people in such a situation?

Maria Miller: Obviously, we support the very idea of kinship care. It is an important way in which children can remain in family care when their own parents are unable to look after them. I believe that in April we will bring in some support to help them with their pensions, too.

Pensioner Poverty

12. Mr David Evennett (Bexleyheath and Crayford) (Con): What recent progress his Department has made in reducing pensioner poverty. [49049]

17. **Jesse Norman** (Hereford and South Herefordshire) (Con): What recent progress his Department has made in reducing pensioner poverty. [49054]

18. **Stuart Andrew** (Pudsey) (Con): What recent progress his Department has made in reducing pensioner poverty. [49055]

The Minister of State, Department for Work and Pensions (Steve Webb): We have restored the earnings link for the state pension and given a triple guarantee that the pension will rise by the highest of earnings, prices or 2.5%. We will pay the winter fuel payment in 2011-12 exactly as budgeted for by the previous Government. We have made permanent the increase in the cold weather payment from £8.50 to £25 a week.

Mr Evennett: I welcome the approach the Government are taking on this very important matter. What estimate has the Minister made, however, of the impact of the single-tier pension proposals on future levels of pensioner poverty?

Steve Webb: We will shortly publish a Green Paper with a range of options for state pension reform. As my hon. Friend says, one of those is a single flat-rate pension. One of its great advantages is that whereas many pensioners do not claim their means-tested benefits and therefore live in poverty, everyone claims their pension.

Jesse Norman: Like many Members, I welcome the single-tier pension. Will the Minister help us consider whether there could be an interesting interaction between that and a lifetime savings account, whereby people can take money in and out of an ISA-style savings account?

Steve Webb: Although policy on the tax treatment of savings is a matter for our friends in the Treasury, it is absolutely the case that the single tier provides a firm foundation for saving. Whereas under the current system, every pound one saves results in the clawback of means-tested benefits, a decent single pension will get one clear of means-testing to a far greater extent.

Stuart Andrew: Will my hon. Friend confirm that thanks to the re-linking of the basic state pension with earnings, the typical person retiring this year can look forward to receiving an extra £15,000?

Steve Webb: My hon. Friend is absolutely right. Although earnings are temporarily depressed, this is a policy for the long term, as many pensioners will draw a state pension for 20 or 25 years. He is absolutely right to say that the typical person retiring this year will have an enhanced state pension of about £15,000 through the restoration of the earnings link.

Kelvin Hopkins (Luton North) (Lab): Even with the Government's reforms, the restoration of the link and so on, the basic state pension will still be below the official poverty level, and way below comparable basic state pensions on the continent. What are the Government going to do to address the problem?

Steve Webb: We have a twin-track strategy that does right by today's pensioners and that puts in place reform for tomorrow's. For today's pensioners, as well as restoring the earnings link we are looking at measures to make

sure that people claim the means-tested benefits to which they are entitled, but we will also be consulting on a much firmer foundation of state pension for the future so that we guarantee that more people do not have to retire into poverty, as too many people have had to in the past.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): On Radio Sheffield last week, the Deputy Prime Minister did not seem aware of the Government's decision on the winter fuel allowance which means that pensioners will receive up to £100 less this year. Were the Minister and his team aware of the changes, and can he confirm that winter fuel allowance payments to pensioners will be up to £100 lower this year?

Steve Webb: My right hon. Friend the Deputy Prime Minister pointed out that the budget for winter fuel payments is exactly as budgeted for by the previous Government. The winter fuel payment increases that were, mysteriously, for two years before the election and one year after—I cannot think why—were always temporary. However, what we have not done is cut the cold weather payment, which the hon. Lady's party had planned to do.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): What made the Government think they could get away with reducing the winter fuel payment by £100 by smuggling it through and not mentioning it in the Budget statement? If they think that they have got away with it and that pensioners have not noticed, they should have been in my constituency at the weekend.

Steve Webb: Well, the right hon. Gentleman must not have been paying attention last year when the Chancellor announced in his comprehensive spending review that the winter fuel payment would be exactly as budgeted for by the previous Labour Government. Perhaps he was not listening.

Pensions

13. **Paul Uppal** (Wolverhampton South West) (Con): What assessment he has made of the potential effects on pensioners of the uprating of pensions using the consumer prices index. [49050]

The Minister of State, Department for Work and Pensions (Steve Webb): The net effect of the triple guarantee for the basic state pension—the figure we gave a moment ago—and CPI for the additional pension is estimated to be a lifetime gain of around £10,000 for the average person reaching retirement in 2011. The impact on private sector occupational pension schemes will vary from scheme to scheme.

Paul Uppal: Can my hon. Friend confirm that the triple guarantee will ensure that pensioners will receive a decent offering from the state in their retirement?

Steve Webb: My hon. Friend correctly points out that for the past 30 years the value of the state pension has been falling and falling relative to the living standards of the working population. We are proud to have put a halt to that.

Emma Reynolds (Wolverhampton North East) (Lab): Will pensioners be worse off or better off should income tax and national insurance be combined?

Steve Webb: Obviously, this idea is at a very preparatory stage, but my right hon. Friend the Chancellor has made it clear that pensioners will not simply face an increase in overall tax as would be the case if the two tax rates were simply added together. The idea is in its very early stages, a lot of preparatory and consultative work is going on, and I am sure that the Chancellor is entirely mindful of the points that the hon. Lady raises.

Pensions

15. Jo Swinson (East Dunbartonshire) (LD): What assessment he has made of the potential effects on women of his proposals on pensions. [49052]

The Minister of State, Department for Work and Pensions (Steve Webb): My hon. Friend will be aware that the Chancellor announced in the Budget that the Government will shortly consult on various options, including one for a simpler state pension. In looking at these options one of our key priorities will be to consider how we deliver improved outcomes for women. Under proposals for a single-tier pension we would expect many women to benefit and we will publish more details of our proposals shortly.

Jo Swinson: I thank the Minister for that reply, and I warmly welcome the single-tier pension, which bears a striking similarity to the citizen's pension on which he and I have campaigned. May I bring him back to the answer he gave to my hon. Friend the Member for Torbay (Mr Sanders) about the injustice faced by women born in 1953 and 1954, which he said there was no simple way of dealing with? The Minister is widely respected for his great expertise on the intricacies of the pension system, so even if there is not a simple way of dealing with the problem, may I urge him to look hard to find a complicated way of tackling it?

Steve Webb: I am very grateful to my hon. Friend. The issue, unfortunately, having dealt with the one-month cohort about whom I understand there is particular feeling, is that it is not only that group who face an increase of more than a year. When one looks at the neighbouring months, an obvious way of dealing with the problem is by delaying until 2020, but if we did that, we would soon rack up a £10 billion bill. That is the sort of difficult trade-off we have had to face.

New Enterprise Allowance (Merseyside)

16. Guto Bebb (Aberconwy) (Con): What progress his Department has made on delivering new enterprise allowance support in Merseyside. [49053]

The Minister of State, Department for Work and Pensions (Chris Grayling): I am pleased to inform my hon. Friend that the new enterprise allowance was launched in Merseyside on 31 January. We have a partner in place to deliver the mentoring support, which is being done through the local chambers of commerce, and we have appointed a provider for the NEA loans service. The early signs are promising: we have had

nearly 400 referrals from Jobcentre Plus to the mentoring service, more than half of whom are now working with a business mentor, and some of the propositions for new businesses are close to fruition.

Guto Bebb: Certainly, in the 1980s and 1990s the enterprise allowance was a great success in north Wales and I look forward to a roll-out to our part of the world. If the enterprise allowance is rolled out throughout the rest of the United Kingdom, what proposals does his Department have to ensure that the universal credit will work in tandem with the enterprise allowance scheme in order to ensure that work pays, even for the self-employed?

Chris Grayling: It is important to say that we recognise the need to ensure that the universal credit works with self-employment. In the detailed design of the universal credit, we will ensure that it aligns with initiatives such as the new enterprise allowance, but more broadly we will make sure that self-employed people can also benefit from the support that the credit offers. They are a crucial part of our economic future.

Graham Evans (Weaver Vale) (Con): How will my hon. Friend ensure that we harness the skills and expertise of business to help unemployed people get their own businesses up and running?

Mr Speaker: With reference to Merseyside.

Chris Grayling: In the context of Merseyside, we have been very pleased by the co-operation and support that we have had from the chambers of commerce. They are actively recruiting more mentors among the local business community. The lessons we have derived from Merseyside will enable organisations in other parts of the country and Jobcentre Plus to follow best practice in getting the scheme up and running nationwide in the course of the year.

Welfare Reform Bill

20. Sajid Javid (Bromsgrove) (Con): What estimate he has made of the likely effects on welfare expenditure of implementation of the provisions of the Welfare Reform Bill. [49057]

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): In real terms working age welfare spending climbed by 54% over the past decade from £48 billion in 1999-2000 to £74.7 billion in 2009-10. The explanatory notes to the Welfare Reform Bill report that there will be savings of some £960 million in 2012-13, rising to around £3.9 billion in 2014-15. We have also set aside £2 billion to cover the costs of implementing the universal credit.

Sajid Javid: This Government inherited a record Budget deficit, which rightly requires the re-examination of every Department's spending. Instead of getting constructive suggestions from the Opposition, we too often get opportunism, including a demeaning comparison this weekend between protesters, civil rights marchers, people who fought for women's rights and anti-apartheid campaigners. Does my right hon. Friend believe that the best way to bring down our welfare bill sustainably is to get people back into work by giving them the right work incentives?

Mr Duncan Smith: My hon. Friend is absolutely right. The key is to get people back into work, to reform the system so that it is simpler and to ensure that work always pays. As we approach April, when the Darling plan was meant to start, I have yet to hear one single figure for anything that the Opposition say they would have reduced, had they introduced it. Instead, apparently, the Leader of the Opposition now lines himself up with Pankhurst, Mandela and Martin Luther King. Miliband does not quite work, does it?

Hywel Williams (Arfon) (PC): What account does the Secretary of State take of arguments by disability campaigners such as my constituent, Mr Rhydian James, who points out that much of the increased cost of the system is due to demographic matters and to reduced under-claiming?

Mr Duncan Smith: The hon. Gentleman will therefore be pleased with the design of the universal credit, because the one thing that it will tackle hugely, which is why there is an extra cost to it, is under-claiming, which will stop. Those who are eligible and who should have their money will be able to get it. Better still, that will improve the level of those coming out of poverty, as opposed to what happened under the previous Government.

Angie Bray (Ealing Central and Acton) (Con): The Secretary of State may recall a row that broke out when a family on benefits was moved into a house in Acton worth well over £1 million, which people on average salaries would only dream of. Does he agree with those constituents who tell me that these reforms are fair not only to those in work, but to the taxpayer? Why has it taken so long for common sense to prevail?

Mr Duncan Smith: Most people who work hard and who are on marginal incomes will consider it reasonable that the benefits system does not pay more than average earnings, which turn out to be about £36,000 gross. Most people who are in work would consider that to be a reasonable level of income. Those who complain about that complain about something that they should have resolved anyway.

✱ **Margaret Curran (Glasgow East) (Lab):** Of course, the Secretary of State will have received many representations from carers' organisations about the Welfare Reform Bill and its likely impact. In reply to a written question I tabled last week, the Under-Secretary of State for Work and Pensions, the hon. Member for Basingstoke (Maria Miller), who has responsibility for disabled people, stated that she did not yet know what impact the new personal independence payment will have on carers, yet the Bill is now in Committee and PIP will be decided in just a matter of weeks. Will the Secretary of State confirm that PIP will remain a passported benefit from carers' allowance, how many carers will be affected by the change and how many carers will lose as a result of the changes being introduced by the Government?

Mr Duncan Smith: I can say to the hon. Lady, much as my hon. Friend the Under-Secretary has before, that we are reviewing all of this. The purpose is to ensure that those who are involved in caring will get greater and better support and that they will be better cared for

themselves. The reality is that we chose for that reason not to take carer's allowance into the universal credit, which the hon. Lady has not touched on, because that would have meant that some people might have lost out.

Disability Living Allowance

21. Mr Peter Bone (Wellingborough) (Con): What plans he has for the future of disability living allowance; and if he will make a statement. [49058]

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): Disability living allowance will be replaced by the personal independence payment, which is a new, more transparent and sustainable benefit underpinned by an objective assessment of the barriers disabled people face in living full and independent lives. From 2013-14, working-age individuals in receipt of DLA will be reassessed against the new eligibility criteria for PIP.

Mr Bone: It is so nice to have a Minister give such a full answer. In my constituency, people are worried that DLA is going to go and not be replaced by anything. I wonder where such false information is coming from. Does she have any idea?

Maria Miller: I thank my hon. Friend for his question and share his concern about the lack of understanding that people sometimes have about what we are trying to do. I can reassure him that the Government's reforms are all about putting integrity back into the support available for disabled people, moving away from a discredited system of DLA in which, in terms of the higher rate for the DLA mobility component, more money goes to people who are drug and alcohol addicts than to people who are blind.

Mr Wayne David (Caerphilly) (Lab): What can the Minister say to my constituent, Jordan Owen, who is deaf and blind, currently attending school and in receipt of the mobility component of DLA, but who may well lose it when he leaves school and moves into residential care?

Maria Miller: The hon. Gentleman will of course have heard the earlier exchanges in which I said that the Government are not removing the mobility component of DLA from care home residents from 2012. We will ensure that the needs of individuals in care homes are assessed in the same way as those of everyone else in receipt of DLA as part of the PIP reforms.

Duncan Hames (Chippenham) (LD): What measures are the Government taking to ensure that assessments for PIP, the successor to DLA, are not as disastrous as those introduced under the previous Government for their work capability assessment?

Maria Miller: I can absolutely give an undertaking to my hon. Friend that we are learning a great deal from the development of the work capability assessment, although I would stress to him that it is a very different sort of assessment that looks at the barriers people face in living independent lives, rather than the barriers they face in getting into work.

Mr Michael McCann (East Kilbride, Strathaven and Lesmahagow) (Lab): Last Thursday night I met representatives of Lanarkshire Ace, a group in my constituency that looks after adults with learning difficulties. They are terrified about the prospect of going through a reassessment for DLA. Will the Minister confirm that people with life-long conditions, such as adults with learning difficulties, will be exempt from a reassessment in future?

Maria Miller: I am sure that the hon. Gentleman will take this opportunity to ensure that his constituents are not terrified about the future of DLA, and indeed the personal independence payment, because we are making sure that it will be a fair and transparent assessment. We will not be, as a rule, saying that individuals would be exempt from assessment, because we want to make sure that they are getting the right support, and we can do that only by looking at their needs.

Child Support Agency (ICT Systems)

22. Nicky Morgan (Loughborough) (Con): What steps he is taking to improve the ICT systems operated by the Child Support Agency and its successor. [49059]

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): The CSA currently uses two IT systems. It was the intention of the previous Government to transfer all 1993 cases to the 2003 scheme, but this proved impossible because of deficiencies with the IT they commissioned. This situation is unacceptable, which is why the Government have decided to bring in a new single system to replace the current ones. We plan to introduce this from 2012.

Nicky Morgan: I have previously written to the Secretary of State about my constituent, Mr Jonathon Little, who had arrears added to his current child support bill that were impossible for him to pay. The CSA told Mr Little that the payment period would be extended to 2014, but he then received a letter stating that the payments on account would be reviewed every six months. When I queried this, the CSA told me, "That's just a computer-generated letter; we've had problems with those." Will the Minister assure me that he will look into the matter as part of the wider improvements being made to the IT system operated by the Child Maintenance and Enforcement Commission?

Maria Miller: I thank my hon. Friend for that example. She has just underlined the need for change, because the current system is not working as it should for all constituents. Indeed, there are now 100,000 cases that cannot even be dealt with on the current IT system—costing the taxpayer a great deal of money and, as she points out, the patience of a great many of our constituents.

Topical Questions

T1. [49062] Laura Sandys (South Thanet) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): This Government inherited a youth unemployment crisis, and to tackle the problem the Chancellor's Budget announced 100,000 new work

experience places and funding for an additional 40,000 apprenticeships, on top of the 75,000 places that we announced last year. That is a far better way of helping young people into sustainable jobs and long-term careers than some of the rather expensive and ineffective programmes that we inherited.

Laura Sandys: I would like to associate myself and my local fishermen with the condolences that the Secretary of State paid to our hon. Friend the Member for South East Cornwall (Sheryll Murray).

I, like many other hon. Friends, am taking on an apprentice, and I wondered what the Department was doing to support apprenticeships and work placements, which are so crucial to giving young people that first step in the workplace.

The Minister of State, Department for Work and Pensions (Chris Grayling): We are doing two things. First, we are supporting the programmes in a practical sense. We already have apprentices working in the Department, but we as a Department will take a lead in providing work experience places—including something like 4,000 throughout the Department per year. We will also actively go out and encourage organisations to come forward and take part in the work experience programme. I hope every company in the country—private, public and voluntary sector organisations—will give young people the chance to take those first steps in the workplace.

Mr Liam Byrne (Birmingham, Hodge Hill) (Lab): May I start by associating Opposition Members with the condolences expressed to the hon. Member for South East Cornwall (Sheryll Murray)? The circumstances that the Secretary of State outlined were extremely tragic.

May I return the Secretary of State to our debate this afternoon and ask about what the Prime Minister said to the House last week? He said that he had no plans to proceed with the removal of the mobility component of disability living allowance, and the Under-Secretary of State for Work and Pensions, his hon. Friend the Member for Basingstoke (Maria Miller) appeared to confirm that this afternoon. Yet, two hours after the Prime Minister sat down, his right hon. Friend the Chancellor said that he was ploughing ahead with making the savings. Whose side is the Secretary of State on? The Prime Minister's or the Chancellor's?

Mr Duncan Smith: I am on the side of both of them, to be quite frank. I make it my business to be so—although it is not always necessarily reported accordingly.

The situation, as I, the Prime Minister and even the Chancellor have outlined, is very simple. We have a requirement to look at the whole disability living allowance spectrum, of which the mobility and mobility in care homes components are part. As I said the last time I was asked about the issue, we are absolutely setting out to make sure that the current overlaps and deficiencies in an incredibly messy and complex system, whereby local authorities, care homes and the Department all tread on each other's toes, are sorted out and do not exist, so that the mobility component that is required for people in care homes will exist after we have completed that work.

Mr Byrne: I am grateful for that answer, which is familiar to many in the House. If the proposal were to be dropped, however, the Red Book would show that from 2013 the savings would be returned. In fact, it shows no such thing. Indeed, page 44 of the Budget states that up to £500 million more will be removed from the residential care component than originally planned; and, in a parliamentary answer to me, the Secretary of State says that 100,000 fewer people will be in receipt of DLA by the end of the Parliament. Can he see now why people with disabilities are so worried about his plans?

Mr Duncan Smith: The letter I sent to the right hon. Gentleman and, I think, to others is quite clear. The point I am making, and I make again, is that the purpose of what we are doing—what the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Basingstoke (Maria Miller) is engaged in—is to review a complex system, which does not work very well. Many people who need disability living allowance often do not get it; people, when they go back to work, are confused about whether they will still receive it; and people often feel that they should not take work because they think that the allowance is work-related, which we know it is not. So, that complex system, which the previous Government left to us, has to be reviewed. Many have welcomed the review, and at the end of it we will make decisions that benefit those who need DLA.

T3. [49064] Mark Menzies (Fylde) (Con): I should like to ask the Secretary of State what advantage he sees in placing young people on to apprenticeship schemes as opposed to a six-month placement on the Work programme.

Chris Grayling: Essentially, the Work programme's role is to help those who are longer-term unemployed and are struggling to get into the workplace. Our work experience proposals and apprenticeship plans are very much geared towards those who are newer in the labour market and looking for opportunities in the early few weeks of job search. Of course, the really stark comparison is between what we are proposing and the vastly expensive future jobs fund run by the previous Government, which has proved to be three or four times more expensive than even their relatively unsuccessful new deals. In my view, our programmes will make a difference in a way that theirs did not.

T2. [49063] Bridget Phillipson (Houghton and Sunderland South) (Lab): Many of my constituents are facing lengthy delays in benefit appeals coming to tribunal. This causes real worry, but also financial hardship. What action are the Government taking to address this, given that demands on the Tribunals Service are increasing?

Chris Grayling: I am acutely aware of the issue to which the hon. Lady refers. We have been in detailed discussions with the Tribunals Service about this, and it is moving ahead with an increase in capacity that will help to ease the situation. We have also, for the national roll-out of the incapacity benefit reassessment, introduced a reconsideration stage at Jobcentre Plus level to try to reduce the number of appeals and to make sure that we get as many decisions as possible absolutely right.

T4. [49065] Neil Carmichael (Stroud) (Con): In my constituency, a large number of individuals come to my surgeries worried about being passed from pillar to post in the complicated welfare system that we have. Can the Minister give me some reassurance that the reforms are going to make it much simpler, especially in connection with people wanting to establish businesses?

Mr Duncan Smith: I can give that assurance to my hon. Friend. We have inherited a system that has huge in-built disincentives and perverse incentives for people to do the wrong thing. The idea of this reform—the universal credit, alongside the Work programme—is that people have a clear understanding of what they will earn when they go to work. They will not need to have the brains of a professor in mathematics to figure it out; they will find it out themselves, and that will incentivise them to stay in work and not be put off by having to report to 50 different people.

T5. [49066] Chi Onwurah (Newcastle upon Tyne Central) (Lab): In his earlier response, the Minister implied that levels of winter fuel payment under Labour were based on the electoral timetable. In fact, the UK has the highest level of excess winter deaths, according to National Energy Action. Can he explain why pensioners in my constituency will be receiving less this winter than last?

The Minister of State, Department for Work and Pensions (Steve Webb): For the first seven or eight years in which the winter fuel payment existed, it was set at exactly £200. For three years only, it was temporarily increased, and the budgeted amount was set to reduce this coming winter. Last year—the hon. Lady may not be aware of this—we ensured that poor pensioners got an £80 electricity rebate. This winter, subject to regulations going through the House, we plan that over 1 million poor pensioners will be entitled to a £120 electricity rebate—real help for people who need it.

T6. [49067] Simon Hughes (Bermondsey and Old Southwark) (LD): Next week, pensions get linked to earnings for the first time since Mrs Thatcher abolished the link in the 1980s. I do not think that pensioners have yet got all the good news messages that they should be getting from this Government. Can Ministers assure us, and pensioners, about what those messages are? Can they then make sure that every pensioner and pensioners' organisation understands the range of good things from which they have already benefited thanks to Ministers in this Government?

Steve Webb: My right hon. Friend is absolutely right. I spend a good deal of my time going out around the country talking to pensioners' groups. I shall be talking to one such group in Birmingham on Wednesday, and I will tell them that restoring the earnings link for the first time in 30 years will provide a firm foundation and dignity for pensioners. That is long overdue.

T8. [49069] Teresa Pearce (Erith and Thamesmead) (Lab): Under new welfare rules, jobseekers will be required to undertake mandatory work activity placements such as stacking shelves for 30 hours a week for at least four weeks, and if they do not comply,

their jobseeker's allowance could be withheld. Can the Secretary of State tell me what safeguards are going to be put in place to prevent exploitation and whether sanctions will be placed on Work programme providers if it is found to be occurring?

Chris Grayling: The whole point about the mandatory work activity programme is that we listened to the advice of our front-line advisers on what they felt could make the biggest difference to the people they are working with. That is what this programme is designed to achieve in giving people an opportunity to step up their work search by getting involved in more full-time activity to get themselves focused on the challenge ahead. There will clearly be safeguards. Ultimately, the most important safeguard lies in the discretion of our front-line staff. There is no obligation for any staff member to sanction an individual if they judge a sanction to be inappropriate. They know and understand when a sanction is necessary, and when it is not, and that is guidance that we will continue to give to them.

T7. [49068] Karl McCartney (Lincoln) (Con): My right hon. Friend is no doubt aware that my constituents in Lincoln help to fund welfare spending in this country. Welfare spending has increased from £132 billion 10 years ago to £192 billion at present—an estimated real-terms increase of 45%. Will he assure me that even in these difficult economic times, this Government, unlike the last Labour Administration, will do all they can to help people in Lincoln who are genuinely able to move from welfare into work?

Mr Duncan Smith: I can give my hon. Friend that reassurance. He should be reassured by the fact that this Government are doing more to reform the archaic benefits system, which is full of all the traps to which he referred. That will benefit those who are in work. One big reason why they have to pay more tax is that the last Government left us with a nightmare system that prefers to keep people out of work than in work.

Alison McGovern (Wirral South) (Lab): Having work experience and money reserved for apprenticeships will not automatically equal a reduction in unemployment among young people. When will the Minister report to the House on the unemployment that is faced by young people, and what will he do if the numbers do not fall?

Chris Grayling: The hon. Lady needs to understand that this problem has been building steadily for the past decade. It happened in good years under the previous Government. We are dealing with the appalling inheritance of 600,000 young people who left school, college or university and have never worked. We think that our programmes will start to make a difference, that they will be better value for taxpayers' money, and that they will be more effective than the previous Government's programmes. Above all, we think that apprenticeships give the foundation for a lifetime of skills and employment. That is why they were such a centrepiece of the Budget.

T9. [49070] Mr Steve Brine (Winchester) (Con): Severe autism sufferer, Alastair Bolan, and his family came to my surgery in Winchester on Friday afternoon. Like many families living with the condition, they are anxious about the move to personal independence payments. They made the case to me passionately that

a one-to-one interview for Alastair would be an absolute disaster, as it would be for many like him who have been granted permanent disability living allowance with good reason. I know that the Minister is good at reaching out to organisations, so will she reassure me that she will continue to engage with the all-party group and autism charities to minimise the uncertainty that some people feel?

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): I can reassure my hon. Friend that both I and officials have met representatives from the National Autistic Society, which has put forward helpful thoughts on the new assessment. It has asked for the people who carry out the assessments to be trained in autism, for individuals to be able to bring somebody to a face-to-face assessment, and for them to be able to use the best supporting evidence. We agree 100% with its proposals.

Mrs Mary Glindon (North Tyneside) (Lab): By insisting that widows' pensions should be treated as unearned income under the universal credit, widows will lose a large slice of their pension. How can the Secretary of State justify that?

Mr Duncan Smith: The hon. Lady knows that we are looking at all these matters. I am happy to discuss that matter with her if she wants to talk to me.

T10. [49071] Stuart Andrew (Pudsey) (Con): I have been approached by a number of constituents who are private landlords, who are concerned that they have not received payments that have been made to their tenants. What measures are the Government considering to alleviate that problem?

Steve Webb: We recognise that payments do not always get through to landlords. There is a provision that allows direct payment when there are eight weeks of arrears, and we have added a provision under our new rules so that direct payment can be made to a landlord when it will secure or maintain a tenancy.

Dame Anne Begg (Aberdeen South) (Lab): I was contacted last week by a constituent who is in her 50s, has advanced multiple sclerosis and lives in a residential home. Her elderly mother has moved into a nursing home on the other side of Aberdeen. The taxi that allows my constituent to visit her mother costs £50 there and back—exactly the amount she gets from the mobility component of disability living allowance. Will the Minister guarantee that my constituent will continue to have access to those funds after the changes to DLA, and that she will not have to go through a reassessment to make sure that she really deserves it?

Maria Miller: As we have said before from the Dispatch Box, the intention of our measures to reform the personal independence payment is not to remove the ability of people such as her constituent to get out and about. We will now include the needs of people in care homes in the overall PIP reassessment.

Robert Halfon (Harlow) (Con): A number of my constituents are facing redundancy. What extra help can the Government give those people, particularly those who have worked in their companies for a very long time?

Chris Grayling: I express my sympathy to those of my hon. Friend's constituents in that position. Unemployment is a very difficult thing for anybody to experience. We have put together a number of different proposals. Most immediately, there is support through the Jobcentre Plus rapid reaction service in the immediate aftermath

of redundancy. Schemes such as the new enterprise allowance, as it is rolled out across the country, will give people the opportunity to move into self-employment, and we will examine all other sensible ways of ensuring that we mitigate the impact of unemployment on people at what remain difficult times in the labour market.

Disturbances (London)

3.30 pm

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab) (*Urgent Question*): To ask the Home Secretary to report on the violent disturbances over the weekend.

The Secretary of State for the Home Department (Mrs Theresa May): On Saturday, 4,500 police officers worked to keep order during the TUC march of up to 500,000 people. During the afternoon and evening, gangs of thugs carried out acts of violence against the police, private property and public monuments. I want to place on record my gratitude to the officers who put themselves in harm's way during Saturday's operations. I want also to praise the Met's senior officers—Assistant Commissioner Lynne Owens and Commander Simon Bray—for their leadership, and I want utterly to condemn in the strongest possible terms the mindless behaviour of the thugs responsible for the violence.

I can confirm to the House that 56 police officers were seen by force medical examiners and that 12 of them required hospital treatment, while 53 members of the public were also hurt. I can also confirm that officers arrested more than 200 people on Saturday, and that 149 of them have already been charged. I expect that number to increase as the police go through video evidence, as they did after the student protests last year. The message to those who carry out violence is clear—they will be caught, and they will be punished.

Throughout Saturday and Sunday, Ministers were kept informed of events. The Home Office was in regular contact with the Metropolitan police and City Hall. The Minister for Policing and Criminal Justice has spoken to Kit Malthouse, the deputy Mayor, and I have spoken to Lynne Owens to thank her for the police operation, which was, on the whole, a success. The police might not have managed to prevent every act of violence, but they were successful in preventing wider criminality and are now actively engaged in investigating the perpetrators so that they can be brought to justice.

In my statement to the House following the student demonstrations in December, I said that the police would learn the lessons of that experience. Since then, the Metropolitan police have been learning the lessons necessary, and the tactics deployed on Saturday reflected that learning, but there is more that can be done. Just as the police review their operational tactics, so we in the Home Office will review the powers available to them. I have asked the police whether they feel they need further powers to prevent violence before it occurs. I am willing to consider powers that would ban known hooligans from attending rallies and marches, and I will look into the powers that the police already have to force the removal of face coverings and balaclavas. If the police need more help to do their work, I will not hesitate in granting it to them.

That is the right way of doing things. The police are operationally independent, the Mayor holds them to account for their performance and the Home Secretary's role is to ensure that they operate within the right legal framework and have the right powers to do their job. I know the whole House will want to join me in sending this message: we will always back the police when they do their important work, and we will back them as they do everything they can to bring these mindless thugs to justice.

Yvette Cooper: I thank the Home Secretary for her answer to my urgent question, after she withdrew her planned statement earlier today.

Hundreds of thousands of people demonstrated peacefully on Saturday in support of their families, services, jobs and communities, but a few hundred mindless idiots and thugs launched violent attacks against property, businesses and police officers, and 31 police officers were injured. In a democracy, that kind of violence is no form of political protest. It is violent assault and criminal damage, it is thuggish behaviour of the worst kind and it must face the full force of the law. I welcome the speed with which the police have acted to charge 149 people with offences already. They will have the Opposition's support in taking a strong line.

The police have made it very clear that those violent incidents were separate from the legitimate, peaceful march, and the Home Secretary has rightly done the same today, but I have three things to ask her. First, she rightly praised the police—like her, I have thanked Lynne Owens and Acting Commissioner Tim Godwin for the work of the Metropolitan police and other police forces, to which I pay tribute—but in addition to the 4,500 officers on the streets hundreds more officers and support staff worked on the operation behind the scenes. Will she join me in paying tribute to all of them, and assure the House that the police will have the resources that they need on the front line and behind the scenes to deal with future events?

Secondly, I welcome the Home Secretary's consideration of further action. Will she consider co-ordinated action to deal with the so-called anarchist groups? It is vital that we do not let a violent minority undermine the power of peaceful political protest in a democracy. Such incidents have been increasing every time there is a crowd event, and, frankly, people are fed up with it. Co-ordinated, determined action was successful some years ago in tackling the football hooliganism that used to hijack crowds and frustrate ordinary fans. May I offer her the Opposition's support? We will work with her and the police on a parallel or similar co-ordinated approach to wider action to deal with problems at crowd events.

Thirdly, we have a tradition in the House of standing together against extremism to protect public safety, property and the public right of peaceful protest. The Home Secretary will know that the Mayor of London today claimed that the Leader of the Opposition and the shadow Chancellor will feel quietly satisfied—*[Interruption.]* I want to quote the Mayor of London accurately because this is important. The Mayor said that the Leader of the Opposition and the shadow Chancellor will

"feel quietly satisfied by the disorder"

and that:

"They will be content to see the police being unfairly attacked on all sides".

Will she condemn those disgraceful and outrageous remarks? The Mayor is the man whom she wants to put in charge of the governance of the Metropolitan police. Does she agree that it is the worst kind of politics to slur those who supported hundreds of thousands of peaceful marchers?

[Yvette Cooper]

Will the Home Secretary answer those three questions on the police, a future strategy and the London Mayor? Let us be united in this House on rooting out hooliganism and supporting peaceful protest.

Mrs May: I thank the right hon. Lady for the tone in which she conducted most of her comments. Unfortunately, towards the end, she chose to move into a rather more political tone.

May I make two factual corrections to the right hon. Lady's remarks? First, she claims that I withdrew a statement to the House, but I never asked to make one. Secondly, she said that I intended to put the Mayor of London in charge of the Metropolitan police, but, of course, he is in charge of them.

I, too, put on record the House's support for and thanks to all those involved with the Metropolitan police who were not in police uniform or not warranted officers who took part in the policing operation on Saturday, both in relation to the march and the mindless acts of violence that took place.

The right hon. Lady mentioned the possibility of co-ordinated action. She will have noted that I said in my response that I was prepared to look at the possibility of some sort of pre-emptive banning orders for hooligans, which we have in place for football hooligans. It is now worth our looking at such experience, and I welcome the support she was willing to give on behalf of the Opposition. Everybody in the House wants to ensure that the police have the right powers and tools available to do the job of keeping our streets safe. The great majority of the march went ahead peacefully, but, sadly and unfortunately, it was damaged by the mindless violence of the thugs. The description given by Liberty is a very good one:

"The demonstration appeared to have been infiltrated by violent elements who periodically separated from the main route in order to attack high profile commercial properties and the police before melting into the demonstration once more... This minority presented significant challenges for the police and trade union stewards alike and at times jeopardised both the safety and ability to protest of those with peaceful intent."

Several hon. Members rose—

Mr Speaker: Order. We have statements by the Prime Minister and the Secretary of State for Education and a heavily subscribed Budget debate to follow, so there is pressure on time. Short questions and short answers are essential.

Mr David Davis (Haltemprice and Howden) (Con): It is incumbent on those of us willing to criticise the police when they make mistakes, as they did during the G20 protest, to step in and correct the record when inaccurate and unjust criticisms are made, as happened over the weekend. The simple fact is that few police forces in the world could have delivered the peaceful outcome for the vast majority of 200,000, 300,000, 400,000 or 500,000 demonstrators during a march in which none was harmed or hurt, and in which all were able to exercise their democratic right properly. Similarly, the police were able to use intelligence to make the arrests to which the Home Secretary referred. However, I hope she will not pay any attention to the sort of thing said in *The Times* this morning by a retired police

officer, when he called on her to use "dawn raids" and "snatch squads". That is the sort of thing we might expect in Tripoli, not London.

Mrs May: It is important that the police have the powers they need to deal with such violent incidents. Of course, however, a balance always needs to be struck to ensure that the powers that the police use do not inadvertently damage the civil liberties that we hold so dear in this country. It is right that the police have operational independence—that is crucial—but we need to set the right legal framework for them. My right hon. Friend is right. I thought that the way in which the police dealt with the demonstrations and the march on Saturday was a fine example of, and a tribute to, the British model of policing. We do indeed have the finest police force in the world.

Keith Vaz (Leicester East) (Lab): The Home Secretary is right to praise the police and condemn those responsible for this wanton violence, but a pattern is now emerging of peaceful demonstration followed by violent demonstration. Tomorrow, Assistant Commissioner Lynne Owens will appear before the Home Affairs Select Committee to update us on what happened last Saturday. We need a big and open conversation with the police and to give them whatever they need to police the second part as effectively as they police the first; otherwise this tale of two protests will continue whenever there is a demonstration in London.

Mrs May: I agree with the right hon. Gentleman. When I spoke yesterday to Assistant Commissioner Owens, I specifically asked her whether the police would need further powers, so that we can discuss what is necessary to enable them to do the job we all want them to do.

Mr Julian Brazier (Canterbury) (Con): Does my right hon. Friend agree that in rightly condemning the extreme behaviour of a few hundred people we are in danger of losing sight of the essential foolishness of the perfectly legitimate, but nevertheless misguided, demonstration, in which many prominent people in the Opposition took part? Does she agree that at a time when we have a deficit comparable to that of Portugal and Greece, it is ludicrous for the Leader of the Opposition to couch his words in those of Abraham Lincoln?

Mrs May: I think that many people in the House would share my hon. Friend's views about the tone of the language used by the Leader of the Opposition. I wonder how many of those who demonstrated against the cuts know that the Leader of the Opposition, who addressed the demonstration, would, if in government, be cutting £4 out of every £5 that this Government are cutting.

Mr David Hanson (Delyn) (Lab): The Home Secretary will be aware that it is an offence to encourage or assist crime. Will she please examine and have a conversation with the police to ensure that people who use social network sites such as Twitter and Facebook to encourage or assist crime are prosecuted?

Mrs May: The right hon. Gentleman makes an interesting point. After such events, it is important that we take the appropriate time to consider all the issues that have arisen and give proper consideration to whether we

need to give the police any further powers to enable them to do the job we want them to do in this new environment.

Tom Brake (Carshalton and Wallington) (LD): Will the Home Secretary commend the overwhelming majority of peaceful protesters and the police for their measured response, urge the police to maintain their close-proximity approach to policing and reject calls for a policing approach that is based on distance and relies on water cannon and cordoning off large sections of a city?

Mrs May: As I said in response to the question from my right hon. Friend the Member for Haltemprice and Howden (Mr Davis), the way in which the main march was policed was a good example of, and a tribute to, the British model of policing. It was important that the police were able to do that in co-ordination with the organisers of the march, who had been in discussions with them about it in advance of the event.

Mr David Anderson (Blaydon) (Lab): Will the Home Secretary enter into discussions with her colleagues about the way the events on Saturday were reported? Any impressionable young person watching the news on Saturday evening or through the night, or reading the newspapers yesterday, would believe that the only way to make their voice heard is by being involved in such actions, which none of us in this House condones. We need more balance from the British media so that that message can get through.

Mrs May: Yes, of course the media have a responsibility in how they report such incidents. I find it deeply distressing that too many people are willing to stand up and condemn the police, when they should be condemning those who perpetrated the acts of violence.

Mr Marcus Jones (Nuneaton) (Con): Will the Home Secretary investigate the possibility of introducing a system akin to football banning orders to keep the minority of anarchist thugs off our streets when such demonstrations take place?

Mrs May: I thank my hon. Friend for that question; I am indeed prepared to do that. Over a period of years we saw a sensible response to football hooligans, which included banning orders. That is why I have asked the police whether we need more powers, and I am willing to look at that example.

Jim Sheridan (Paisley and Renfrewshire North) (Lab): Has the Home Secretary had time to reflect on the policing Minister's response to a patsy question on the BBC, where the sense was that the Leader of the Opposition was responsible for the anarchist attacks? If she honestly believes that the Leader of the Opposition is responsible for them, then we had better bring back the planes from Libya and have a no-fly zone over the Labour party headquarters in London.

Mrs May: I would simply say to the hon. Gentleman that that was not what the policing Minister said. It is extremely disappointing that, at a time when the House should be uniting in its support of the police and its condemnation of violence, the hon. Gentleman chose to address his question in that way.

Justin Tomlinson (North Swindon) (Con): What action will my right hon. Friend take to recover the costs of the damage from the extremists who have been arrested?

Mrs May: My hon. Friend makes an interesting point. If he looks at the Riot Act of 1886, he will see that it presents us with an interesting suggestion in dealing with those costs, and I am currently looking into its operation.

Ian Murray (Edinburgh South) (Lab): This weekend saw 400,000 people marching in London, while Sunday saw 35,000 of the tartan army march into the Emirates stadium. Will the Home Secretary congratulate those involved on the good nature of those mass events, and put on record her disgust at the violent minority who insist on ruining them?

Mrs May: I am happy to join the hon. Gentleman in saying that, across this House, we want people to be able to demonstrate and make their point peacefully. It is those who chose to use violence to disrupt demonstrations or perpetrate acts of criminality as part of such demonstrations whom we condemn across, I believe, the whole of this House.

Dr Andrew Murrison (South West Wiltshire) (Con): UK Uncut claims that what it characterises as a "fun and friendly" and "creative occupation" of premises on Oxford street on Saturday has been misrepresented. What advice does my right hon. Friend have for those who claim that they have been misrepresented?

Mrs May: I say to them that they certainly have not been misrepresented. We need to make it absolutely clear that the police are right in what they were doing to try to prevent violence on our streets. The people who should be condemned are those who were engaged in that occupation, and in perpetrating those acts and the mindless thuggery that took place. They will be brought to justice.

Mike Gapes (Ilford South) (Lab/Co-op): Will the Home Secretary take this opportunity to say unequivocally that the remarks of the Mayor of London were unacceptable?

Mrs May: The Mayor of London is open to make the remarks that he chooses to make about the policing and the demonstrations. He is responsible for the Metropolitan police as the elected representative. We are all united in believing that it is absolutely right that the role of the police should be praised across this House, because they did a very good job in managing the situation on Saturday.

Iain Stewart (Milton Keynes South) (Con): Has my right hon. Friend had a chance to quantify the cost to the public purse of the damage done at the weekend and of prosecuting the perpetrators? That money could otherwise have been spent on the public services that they claim to protect.

Mrs May: My hon. Friend is absolutely right. Of course there will be a significant cost as a result of the violence at the weekend and, sadly, that is money that could otherwise have been spent in rather better ways.

Fiona Mactaggart (Slough) (Lab): Does the Home Secretary agree that one of the reasons the policing of this demonstration was more effective than that of some previous events was that the police clearly differentiated the peaceful majority who were demonstrating from the violent, thuggish minority? Is it not therefore depressing that the Mayor of London, who is responsible for the police, actively sought to conflate the two? Will the Home Secretary take this opportunity to repudiate his remarks?

Mrs May: Of course it was important that the police learned from recent experience of policing demonstrations, and that, as a result, they chose to operate slightly differently and to use slightly different tactics. I quoted Liberty earlier, which made it clear that some of the violent demonstrators were moving in and out of the peaceful demonstration and—

Ms Rosie Winterton (Doncaster Central) (Lab): And the Mayor?

Mrs May: I would say to those who want to comment on the remarks made by individuals about the demonstration that the reason Opposition Front Benchers are choosing to say so much about the Mayor is perhaps because they do not want to talk much about the comments made by the Leader of the Opposition at the demonstration.

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): The Home Secretary will be aware that, back in 2002, I was partly responsible for bringing 407,000 people to the capital and back again without so much as cracking a window pane. Will she assure the House that future protests will not be made more awkward or more expensive as a result of her proposals?

Mrs May: The only march I have been on was that Countryside Alliance march. It was notable that it was entirely peaceful and that virtually no litter was left afterwards. Everyone cleared up and made their point in entirely the proper way.

Jack Dromey (Birmingham, Erdington) (Lab): On a day when the House should be standing united in opposition to boys in black masks who disgrace the traditions of democracy in our country, will the Home Secretary dissociate herself from the Mayor when he said:

"Balls and Miliband...will be content to see the police being unfairly attacked on all sides"?

Mrs May: The House is indeed united in saying that we should praise the work of the police and condemn the acts of violence by the perpetrators of criminal acts on Saturday.

Dr Thérèse Coffey (Suffolk Coastal) (Con): Can my right hon. Friend confirm whether the people who were charged today will be remanded in custody, so that we can be certain that they will not be planning future demonstrations?

Mrs May: I am not able to give my hon. Friend confirmation one way or another in relation to all 149 individuals—[*Interruption.*] The shadow Leader of the House is saying, "Can't she just do it? Can't she just say it?" Actually, it is not the Home Secretary's decision whether to remand people in custody. This is the Opposition's problem with these matters; they do not recognise the difference between political responsibility, operational responsibility and judicial responsibility.

Libya/European Council

3.53 pm

The Prime Minister (Mr David Cameron): With permission, Mr Speaker, I would like to make a statement on Libya and report back from last week's European Council. On Libya, I want to update the House on military action, on the steps that we are taking to strengthen and deepen the alliance, on our efforts to ensure that humanitarian aid gets through and on plans for the future, including the conference that we are holding tomorrow.

First, on military action, I believe that it is quite clear that allied operations have had a significant and beneficial effect. We have stopped the assault on Benghazi and helped to create conditions in which a number of towns have been liberated from Gaddafi's onslaught. In towns such as Ajdabiya, Ras Lanuf and Bin Jawad, people are now free to return to their homes. The no-fly zone is now fully operational and effective. When it has been challenged, Gaddafi's planes have been shot down. He can no longer terrorise the Libyan people from the air.

UK pilots have now made more than 120 sorties and flown for more than 250 hours. Over the weekend, RAF Tornados continued to conduct armed reconnaissance sorties, hitting a total of 22 tanks, armoured vehicles and artillery pieces around Ajdabiya and Misrata. This involved some extremely skilful and courageous work by British pilots seeking out and destroying tanks while doing everything possible to avoid civilian casualties. I am sure that everyone here will want to send their best thoughts and wishes to our brave pilots and all those in our armed services for the work they do.

I can also tell the House that during the early hours of this morning our Tornado pilots flew deep into the desert to strike against major ammunition bunkers at Sabha, which we believe were being used to resupply Gaddafi's forces, including those terrorising people in Misrata. Initial reports suggest that the bunkers have been destroyed.

There remain, of course, real issues of concern. The situation of civilians in Misrata and Zintan is extremely grave, and the situation for civilians in other towns under the regime's control is also deeply concerning, with widespread reports of human rights abuses. But we have moved quickly and decisively over the last week and we will stick to our task, as set out in the UN resolution and take all necessary measures to protect civilian life.

Secondly, on the strengthening and deepening of the alliance, I told the House last week that we believed NATO should take on the command and control of Libyan operations. This has now been agreed. NATO is already co-ordinating the arms embargo, the maritime operation and the no-fly zone. Now it will take on command and control of all military operations, including those to protect the civilian population. Canadian Lieutenant-General Charles Bouchard has been appointed as the NATO commander of the joint taskforce for the operation.

I have also made clear the crucial importance of the further active involvement of Arab nations. On Friday, the United Arab Emirates confirmed it would provide 12 fast jets, six F-16s and six Mirages, while on Saturday jets from the Qatari royal air force flew over Libyan

airspace to patrol the no-fly zone for the first time. We look forward to welcoming the representatives of five Arab states, the Arab League and the African Union at our conference tomorrow.

Thirdly, it is critically important that humanitarian aid gets through to those who need it. It is absolutely clear that when the Gaddafi regime occupies a town such as Ajdabiya, the people suffer terribly. When the regime leaves a town, the way is open for proper humanitarian access. The important thing now is to make sure that it happens.

Our strategy is to help fund the humanitarian organisations that have been able to get in, to help the UN play its co-ordinating role and to provide assistance at Libya's borders. We have funded the International Committee of the Red Cross, which is now present in Misrata, to provide support for up to 100,000 people for basic necessities and to treat 3,000 walking wounded. We flew 12,000 migrant workers trapped on the Tunisian border back to their countries and their families and we delivered 2,000 large tents and 38,000 blankets to the border. We will continue to give intense focus to humanitarian access in the coming days.

Fourthly, on plans for the future, in order to make the pressure on the Gaddafi regime as effective as possible, it is vital that we have the maximum political and diplomatic unity around the world. At the European Council, Europe came together over Libya. The Council conclusions endorsed UN Security Council resolution 1973, set out Europe's

"determination to contribute to its implementation"

and recognised the lives saved by our action so far. This is an important step forward and it shows that Europe is now fully on board with this mission.

Today, alongside the British and French aircraft, there are Danish, Dutch and Spanish aircraft taking part in the action over Libya, flying from Italian bases, working with warships from the UK, France, Italy, Belgium, Netherlands and Poland. Romania will also provide a frigate and the Turks are planning to make naval assets available, too. Tomorrow, Britain will host a broad international conference in London to review progress and plan for the future. This will include representatives from more than 40 countries, including all the military contributors to the operation, and the United Nations Secretary-General will also be there.

I can tell the House this afternoon that France and the UK will issue a joint statement to the conference participants, setting out what is at stake as we gather to support a new beginning for Libya. A copy of the statement is in the Library.

Libya's new beginning requires three things: first, to reaffirm our commitment to UN Security Council resolution 1973 and the broad alliance determined to implement it; secondly, to ensure the delivery of humanitarian aid, including to the newly liberated towns; and, thirdly, to help plan for the future of Libya after the conflict is over. It is for the people of Libya to choose how they are governed and who governs them, but they have a far better chance of doing that as we stand today than they did 10 days ago. Had we not acted, their future would already have been decided for them.

Let me now turn to the economic issues discussed at the Council. Britain had two goals at the summit: first,

[The Prime Minister]

to support the euro area's efforts to bring stability to the eurozone while fully protecting Britain's sovereignty, and, secondly, following our Budget for growth last week, to win support for a similarly ambitious pro-growth, pro-market agenda for Europe as a whole. Let me take those two goals in turn.

I have always said that a successful eurozone is in Britain's national interest. Given that 40% of our trade is with eurozone countries, we want the eurozone to deal with its problems and challenges, and we should therefore welcome the steps to which eurozone countries are committing themselves to taking with the euro plus pact. However, I have also said that Britain is not in the euro and will not be joining the euro, so it is right that we should not be involved in the euro area's internal arrangements. That is why we are not intending to join the "pact" that euro area countries have agreed. It is also why I believe that we should not have any liability for bailing out the eurozone, but given the current emergency arrangements, established under article 122, we do have such a liability.

That decision was taken by the previous Government, and it is a decision to which my right hon. Friend the Chancellor specifically objected when it was taken by his predecessor after the election but before this Government took office. Frustratingly, we are stuck with it for the duration of the emergency mechanism, but that is why I ensured last December that the eurozone treaty change would carve Britain out of the eurozone bailout arrangements when the new permanent arrangements were introduced in 2013, and specifically secured agreement that, from that point onwards, article 122 would not be used for this purpose. That ends our current potential liability, and makes it clear that from 2013 Britain will not be dragged into bailing out the eurozone.

My second goal was growth. There was clear agreement at the Council about the link between action on deficits and action for growth. As the conclusions clearly state, fiscal consolidation

"should be frontloaded in Member States facing very large structural deficits or very high or rapidly increasing levels of public debt."

We agree. It is worth noting that the UK still has one of the highest budget deficits in the EU—higher than those of Greece, Spain and Portugal—but because of the actions we have taken our interest rates are closer to those of Germany. It is also worth noting that the EU forecast is for the UK to grow in 2011 faster than France, Spain, Italy, the eurozone average and the EU average.

Just as we have a Budget for growth in the British economy, we need a plan for growth in the European economy. In advance of the Council, I organised a letter, which was signed by nine countries, making the case for specific actions to support growth: completing the single market and extending it to services, boosting trade, opening up and connecting European and global markets, reducing regulation, supporting innovation, and unleashing enterprise. That has had a real impact, not least because the argument is now being made not just by Britain but by Sweden, Denmark, the Netherlands, Finland, Poland, Latvia, Lithuania, and Estonia. As a result, the European Council endorsed much of our

approach. We agreed that we should focus on concluding the Doha round and other free trade agreements in 2011. We also agreed that

"the overall regulatory burden should be reduced",

and that micro-enterprises should be exempted from certain future regulations. That moratorium, which mirrors the moratorium on regulation for small businesses in last week's Budget, is a positive endorsement of the approach we are taking in Britain.

Finally, the Council discussed how Europe could help Japan to recover from the devastation caused by the earthquake and the tsunami. I spoke to the Japanese Prime Minister on Friday. As the House knows, we have provided search and rescue teams, and stand ready to help in other ways. I know that everyone in the House will applaud the resilience and courage of the Japanese people during these tragic times. Looking to the future, we should show solidarity with the Japanese, and help both our economies by pushing forward with a free trade deal between Japan and the EU. At Britain's instigation, the Council conclusions explicitly refer to the

"potential launch of negotiations for a free trade agreement."

At this Council, Europe was faced with a choice: to rise to the challenges facing our continent, or to take the path of least resistance. On Libya, Europe chose to come together around the stand taken by Britain, France and the United States to respond to the call of the Arab League and save people on our continent's doorstep from slaughter. On the economy, Europe chose a new direction, based on the principles set out by Britain and other member states, for stronger growth and prosperity.

For too long Europe has focused on issues of process and structure. Last week, Britain helped Europe to focus on policies and people: on creating prosperity for its citizens, and confronting a humanitarian crisis on its southern border.

I commend the statement to the House.

Edward Miliband (Doncaster North) (Lab): I thank the Prime Minister for his statement.

I want to concentrate my questions on Libya, but let me first deal with the issues of economic policy and Japan. On economic policy, I welcome the Europe 2020 conclusions, the proposals on economic governance and the commitment—which I do not think the Prime Minister mentioned—to explore an international financial transactions tax. On the international financial transactions tax, may I ask the Prime Minister for clarity on the UK's position and urge him to take forward discussions actively both with the United States and at the G20? On the 2020 strategy, we saw some welcome progress, as the Prime Minister said. The European Council also talked about the priority of "reducing unemployment", which the Prime Minister did not mention in his report to the House. I wonder whether he shared recent UK experience with his colleagues and told them that the forecasts for UK unemployment have been revised up for each and every one of the next five years by up to 200,000—something the Chancellor failed to mention in his Budget speech. May I also ask whether the Prime Minister told the Council that he had recently unveiled a Budget for growth that downgraded growth this year, next year and the year after? Did he warn Council colleagues about the dangers of going too far and too fast?

On Japan, I share the sentiments the Prime Minister expressed about all possible help for reconstruction being given to the Government and people of Japan. The immediate priority for the UK Government will rightly be the situation of our citizens, but, looking to the future, will the Prime Minister update the House on the timetable for the report he has commissioned by Mike Weightman on any lessons that might need to be learned for British nuclear plants? It is important that this report is completed quickly, because we do not want to delay without reason the important progress we need to make on new nuclear power in our country.

Turning to Libya, may I start by welcoming the strong and unanimous position adopted by the European Council? I welcome the fact that the military operation to enforce the no-fly zone and protect civilians is showing signs of success. Now that the rebels are advancing, will the Prime Minister assure us that efforts are being made to remind them of their own humanitarian obligations to respect human rights and protect civilians at all times? Lord Ashdown raised a number of concerns this morning, and, for the record, may I ask the Prime Minister to repeat his reassurance of last week that the UN resolution is aimed at the protection of the Libyan people, not choosing the Libyan Government?

On the question of command and control arrangements for the military operation, I welcome the decision to move to the NATO command structure. Will the Prime Minister say a bit more about the governance arrangements that will now be in place for that, and in particular what the relationship will be between the North Atlantic Council and the narrower group, which I believe the French are convening, of those directly involved in military action? Given the importance of maintaining Arab support, I welcome the meeting being hosted tomorrow by the Foreign Secretary with a broad alliance of countries. What continuing role will this wider group play, and how often will it meet?

May I also emphasise to the Prime Minister another point: the importance of post-conflict planning? Whatever the eventual outcome in Libya, the peace is set to be as challenging as the conflict. Will he clarify where he believes responsibility for post-conflict planning lies? In particular, which institution, UN or otherwise, is in his view best placed to oversee this work, and does he see the case for a particular individual being asked to lead the international community's efforts?

I think we both agree that the international community should continue with a strategy that includes non-military means. I therefore welcome the intention of the European Council to strengthen sanctions against the Gaddafi regime. The Council's conclusions say that EU member states will be proposing the adoption of further sanctions measures at the UN Security Council. Will the Prime Minister say more about the scope and timing of those proposals? Finally on Libya, given that we have a long recess coming up, may I urge the Prime Minister to keep open the possibility of the House being recalled, should events require it?

Turning to events in the wider region, may I also welcome the words in the European Council conclusions about Syria, Yemen and Bahrain? It remains essential that we avoid the reality, or the impression, of double standards. May I therefore ask the Prime Minister what specific actions the Government are taking to attempt to prevent further repression in these countries?

Finally, may I once again pay tribute to the efforts of our armed forces? They are doing extraordinary work, protecting the people of Libya and enforcing the will of the United Nations. We owe them huge gratitude.

The Prime Minister: I will take the right hon. Gentleman's comments in reverse order. First, I thank him for what he says about our armed forces. He is right to say that they have, as ever, performed with great courage, professionalism and dedication; they are extraordinarily capable and brave people and this country is lucky to have them. He asked about other countries and whether we are sending a clear message. I believe our message should be clear: the way to meet the aspirations of people in north Africa and in the Arab world is with reform and dialogue, not with repression. We have made that clear throughout and it is important.

The right hon. Gentleman asked that we keep the House up to date and I certainly intend to do that. I can let him know, because I have checked this, that in my first 10 months as Prime Minister I have made 15 statements in this House. I am told that that is more than John Major, Tony Blair, Gordon Brown or indeed Margaret Thatcher made, so I think I am doing my bit to keep the House informed.

Edward Miliband: Well done.

The Prime Minister: Thank you very much. I will certainly look at what arrangements need to be put in place for information to be regularly published and discussed in this House, because I am keen that that should happen.

The right hon. Gentleman asked about post-conflict planning and which body is in the lead. As I said in my statement, we want to make sure that the UN feels firmly in the driving seat; Baroness Amos does an excellent job and the UN should be gripping this emerging picture and working with those agencies that have managed to get through to places such as Misrata and Ajdabiya, and elsewhere. He asked about the wider group that will meet as well as NATO members. We are going to be forming a sort of contact group of friends of Libya for the future, but all the operations are now going to be run with command and control and co-ordination provided through the NATO machinery.

The right hon. Gentleman asked whether the emphasis is still on protecting people, not regime change. That is right—the UN Security Council resolution is all about putting in place the no-fly zone; protecting civilians, using all necessary measures; and, of course, humanitarian aid. He asked for assurances that we will make it clear to the rebels how they should behave in terms of civilian life. We are now in proper contact with the rebels; a Foreign Office official is having discussions with them. That is vital as we need to get to know and work with them, and make these points to them.

The right hon. Gentleman rightly refers to the fact that there was a discussion on nuclear energy at the European Council. We agreed to stress test all EU nuclear facilities, making sure that that is done by the appropriate bodies, carried out by independent regulators, properly peer-reviewed and tested. Europe must learn all the lessons from the Fukushima nuclear plant. I cannot give a timetable for the report we will be carrying out through the chief nuclear inspector, Dr Mike Weightman, but it will be done as fast as possible.

[The Prime Minister]

I now turn to Europe and the financial transactions tax, which was mentioned in the Council's conclusions. We are very happy to look at this, but we believe it has to be done on a global basis. There is a great danger of a group of countries deciding to do this and just seeing financial transactions go completely out of their area, so it must be done on a global basis.

Finally, on Europe, the right hon. Gentleman made some points about unemployment. We did discuss unemployment. In Britain, as he knows, we have seen the claimant count come down and we have seen 300,000 more people in work. I would just make a point about the message coming clearly from Europe. Commission President Barroso has said:

"Without fiscal consolidation, there is no confidence, without confidence there are no investments, without investments there is no growth."

That is a lesson the Labour party could well learn.

Several hon. Members rose—

Mr Speaker: Order. I just remind the House that, in keeping with the convention, Members who entered the Chamber after the Prime Minister started his statement should not expect to be called.

Sir Peter Tapsell (Louth and Horncastle) (Con): On the economic aspect of the Prime Minister's statement, does he agree that the recent election in Germany shows that the German people have lost patience with the European Union, as have the British electorate?

The Prime Minister: I am not an expert in the politics of Baden Württemberg, but I suspect that this is partly about the euro and the effects of the euro. I think that there are also strong feelings about nuclear power in Germany. The point I would make is that whatever our views about the euro—I think that my hon. Friend and I agree that we should stay out of it—it is in Britain's interests that the eurozone sorts itself out, because that is the destination for a lot of our exports. So we should support these countries in what they want to do to deal with their problems and challenges.

Mr Alistair Darling (Edinburgh South West) (Lab): Does the Prime Minister accept that when he referred to the discussions that took place last May on the eurozone fund he gave a somewhat incomplete account of my conversation with the now Chancellor? We did indeed agree that we should do everything we could to keep Britain out of the main part of the rescue fund, but in relation to the smaller element to which the Prime Minister refers, what we discussed was not voting against, but abstention, recognising that Britain could have been outvoted—that is exactly the same thing that the Chancellor of the Exchequer referred to when dealing with Ireland. So when the Prime Minister next refers to this issue, perhaps he would give the whole account, not a partial account, of what happened.

The Prime Minister: Fortunately, I have had a full discussion with the Chancellor about that issue and he was absolutely clear that it was something to which Britain should not agree; nor should we. The problem is that we are stuck with this mechanism, which I have

managed to get rid of once the new mechanism is introduced. That is the sort of action, frankly, that we have needed in Europe these past few years.

Sir Menzies Campbell (North East Fife) (LD): When considering any of the variety of proposals that may be on the table at tomorrow's meeting, will the Prime Minister do all in his power to prevent the endorsement of any proposals that would enable Colonel Gaddafi to regenerate the apparatus of terror and oppression that has sustained him for too long?

The Prime Minister: I thank the right hon. and learned Gentleman for that question. This is a very important point. All sorts of people will quite rightly want to ensure that there will be a proper political process at some stage so that Libya can transition to democracy. It is important, however, that while such clear and flagrant breaches of the UN Security Council resolution are going on, we should do everything we can to protect people and, as a result, the Gaddafi regime will effectively be driven back.

David Miliband (South Shields) (Lab): May I strongly associate myself with the Prime Minister's words about the successes of the past week in justifying the UN Security Council resolution on Libya? The rebels' progress more than reflects the widespread view across the House about the importance of the resolution. However, the Prime Minister did not say much about the European Union's relations with the rest of the Arab world in future. One reason to support the resolution was the danger for the rest of the Arab world of Gaddafi's potential slaughter. Will the Prime Minister say something about the potential for conditionality in EU engagement with the countries of the middle east and north Africa on trade, development and other matters as we go forward in support of democratic governance in north Africa?

The Prime Minister: The right hon. Gentleman makes an important point, which is that Europe's engagement with north Africa and the middle east has not always been very successful in the past, particularly on the grounds that he describes. There has not been enough conditionality on the progress those countries need to make towards more open societies and the building blocks of democracy, getting rid of emergency laws and the rest of it. The European Council conclusions, like those from our emergency summit, talk about putting in place a new partnership and making a new offer to these countries with deeper economic integration, broader market access and greater co-operation and, in return for that, we should ask for more conditionality in the progress that they make. Money is not the problem; there has been plenty of money put into these areas by Europe. We need more of a focus on what we believe we should be getting out of it.

Richard Ottaway (Croydon South) (Con): Will the Prime Minister use tomorrow's summit to clarify the rules of engagement? He will be aware of the criticism of the attacks on the arms dumps as they have been considered to involve a fairly broad interpretation of the UN resolution. Does he agree that it is critical that the future of Libya is not cluttered up with acrimony among the political consensus that he has successfully built up?

The Prime Minister: My hon. Friend makes a good point, but I would disagree with anyone who says that destroying a Gaddafi arms dump is not in the terms of the resolution, and for the following reason. We can see very clearly what Gaddafi's regime is doing in Misrata, in Zintan and in other places. He is using munitions to kill people—to murder his own citizens—so depriving him of weapons is not only in the letter of the resolution but in its spirit, too.

Chris Bryant (Rhondda) (Lab): Further to the question asked by the former Chancellor, my right hon. Friend the Member for Edinburgh South West (Mr Darling). I am sure that there will have been an official note of the conversations between the former Chancellor and the present Chancellor. Will the Prime Minister publish that note so that we can decide for ourselves whether he or the former Chancellor is providing the more accurate report?

The Prime Minister: I will certainly look at the suggestion because I am absolutely clear about what the conversation was and that the current Chancellor did not support the action being taken by the previous Chancellor.

Mr Mark Field (Cities of London and Westminster) (Con): The Prime Minister rightly points out that the Budget last week went into some detail about the support that we were going to give to small and start-up businesses. Will he go into a little more detail about the work he did this weekend in the European Council on micro-businesses, which will clearly be important organisms for growth in employment in the years ahead, both in Europe and throughout the world?

The Prime Minister: My hon. Friend makes an important point. Businesses that are either starting up now or are yet to start up will provide a lot of the growth in jobs, investment and opportunity here and elsewhere in Europe. What was encouraging about this European Council was that the Commission itself, in response to the letter that we had produced with other countries, brought up its own proposals, one of which was a moratorium on certain regulations for all new businesses for a specific period. That does not go quite as far as what we have done in the UK, but to hear the Commission talk about deregulation, cutting the burden of regulation and taking regulations off new small businesses was, I thought, very good progress.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): I welcome the references in today's statement to the access to humanitarian help. Now that the rebels are advancing well, is it not time for coalition countries, particularly this country, to give us some idea when the Government will consider that the job is done? Also, will the Prime Minister please confirm that all possible diplomatic avenues are still open?

The Prime Minister: First, in terms of diplomatic avenues, it is welcome that there is now British diplomatic representation talking with the opposition in Benghazi—I think that is hugely welcome. In terms of when the job will be done, I think the answer is when the UN Security Council resolution has been secured. Let me take the right hon. Gentleman back to what the President of the United States said:

"Qaddafi must stop his troops from advancing on Benghazi, pull them back from Ajdabiya, Misrata and Zawiya, and establish

water, electricity and gas supplies to all areas. Humanitarian assistance must be allowed to reach the people of Libya. Let me be clear, these terms are not negotiable".

Of course, Gaddafi has been driven back from Benghazi and out of Ajdabiya, but he is still terrorising and killing people in Misrata and terrorising other towns, he has not allowed humanitarian access and he is in flagrant breach of the Security Council resolution. I think now is the time to press ahead—helping those civilians, making sure those lives are saved and giving the Libyan people the chance of a different future.

Mr Douglas Carswell (Clacton) (Con): The Prime Minister has suggested that we are liable for the bail-out mechanism entirely thanks to the former Chancellor. In that case, will he be happy for the current Chancellor to respond to my freedom of information request and publish the advice that he received on this matter on assuming office to demonstrate that we are not liable for the bail-out billions because of any failure to grasp the small print in those first few halcyon days in office?

The Prime Minister: I can go into even more detail if my hon. Friend wants: article 122 was turned into qualified majority voting via the Nice treaty. My right hon. and learned Friend, Michael Howard, who is now in another place, said, as a Back Bench, "You are making a terrible mistake here: this could be used for future bail-outs," and the then Europe Minister, the right hon. Member for Neath (Mr Hain), said in reply:

"The use of QMV...does not undermine the no-bail-out rule set out in article 103."—[Official Report, 4 July 2001; Vol. 371, c. 359.]

What is worrying is that the Nice treaty made the situation worse and the previous Government were warned about it but they did not pay any attention.

Mr David Winnick (Walsall North) (Lab): Is it the policy of the British Government to try to bring about a genuine ceasefire in Libya as apparently urged by Turkey? Is there not a danger that the manner in which allied operations are taking place means that we are getting near to regime change, which is certainly outside the United Nations Security Council resolution?

The Prime Minister: Of course, everyone would welcome a genuine ceasefire, but let us be frank—two ceasefires have been announced by Colonel Gaddafi, both of which were broken instantly by him, so I think we should have a heavy degree of scepticism about what this man says. I would not be at all surprised if, in advance of the conference tomorrow, he announced some all-encompassing ceasefire tonight, but we have to judge him by his actions and not his words. That is absolutely vital. I defend what the coalition is doing in terms of some quite robust ground attacks to protect civilian life. Frankly, if those things had not taken place—if we had not destroyed tanks and armoured personnel carriers—we would still see people under the lash of the Gaddafi regime in Ajdabiya and in many other towns along the Libyan coast. What we have done has really helped to implement part of the resolution, but there is still more implementation to be done.

Mr James Arbuthnot (North East Hampshire) (Con): Does my right hon. Friend agree that Turkey is a key ally of the United Kingdom and a central part of

[Mr James Arbuthnot]

NATO decision making? Is there a role for Turkey to play in the mediation process that will need to happen over the next few weeks and months?

The Prime Minister: My right hon. Friend makes a good point. Not only is Turkey coming to the conference tomorrow, but the Turkish Prime Minister, Prime Minister Erdogan, is coming here on Thursday for talks at No. 10. I have also visited Turkey to see him. It was one of the first visits that I made as Prime Minister. The Turks are incredibly important members of NATO, and I believe that they should also be members of the European Union. They should be intricately involved with the operations that are being undertaken in Libya. They may well also have role as a trusted interlocutor, but right now, what they want to do is get their ships involved and get humanitarian assistance involved as well. That is hugely welcome.

Mr Denis MacShane (Rotherham) (Lab): I welcome the grip that the Prime Minister has on the situation, after a slightly unhappy start. When I close my eyes, I hear his predecessor but one, 10 years ago, talking about Kosovo and Sierra Leone in similar terms. On Europe, I welcome his metamorphosis into a pragmatic, fairly friendly European. Will he confirm that we will, if called upon, help our oldest ally, Portugal? When Mrs Thatcher brought the rebate back in 1984, agreed to a tripling of the EU budget, and when Labour Eurosceptics questioned her, she said, "We must help our old friend, Portugal." Is the Prime Minister still a Thatcherite?

The Prime Minister: I am a great admirer and supporter of what Margaret Thatcher did for our country, and I am a great admirer of Portugal. When I talked to the Portuguese in advance of the UN Security Council resolution, they were strong supporters of that resolution and said that one of their reasons was that they wanted to be with their oldest ally. So they see the relationship in that way. On financial issues, we should not speculate about any other country's financial situation or finances. As to what the right hon. Gentleman says about Europe, I have always believed that we should get stuck in in Europe to fight for the British interest, and that is what I do.

Mr Roger Gale (North Thanet) (Con): My right hon. Friend has rightly highlighted the plight of civilians in Misrata. That concern is shared by the Libyan British Relations Council. Will my right hon. Friend ask his right hon. Friends the Foreign Secretary and the Defence Secretary to look at ways of getting humanitarian aid into Misrata by sea?

The Prime Minister: We are doing just that. There are a number of humanitarian agencies that are trying to get aid into the ports along the Libyan coast. As I said in my statement, we should be trying to give financial assistance to those that are successful, while helping to get the UN to co-ordinate. Obviously, Misrata is a very difficult picture. Fighting has been going on as I have been standing here. It is difficult to get access, but we should do everything we can to help it.

Mr Dennis Skinner (Bolsover) (Lab): What steps is the Prime Minister taking, along with others, to avoid an inter-tribal civil war in Libya?

The Prime Minister: We believe that the Libyan people should be able to choose their own future. I do not believe that the only alternative to Colonel Gaddafi is some sort of tribal internecine warfare. Many people coming forward in Libya want to see a proper transition. Of course we need to know more about the interim transitional national council, but it is at least a good sign that its members want to be interim, transitional and national, rather than sectarian or tribal. We should be a little more optimistic than the hon. Gentleman sounds in his question.

Nicholas Soames (Mid Sussex) (Con): May I congratulate the Prime Minister on the initiative of the letter that he signed with nine other countries in the European Union, in particular about the importance of pushing forward with a programme of deregulation in the EU? Does the Prime Minister agree that it is essential that someone takes ownership of this programme, and will he do it?

The Prime Minister: I certainly will attempt to do that, but as my hon. Friend knows, one of the issues is that the only organisation that has the right of initiative in the European Union is the Commission, so the key is to work with the Commission and to persuade the Commission that what is needed right now in Europe is deregulation, market reforms and completing the single market. I think President Barroso sees the world like that. There is no fiscal stimulus left to European countries; they have all run out of money. There is not much monetary stimulus left, with interest rates as low as they are. What we need is the stimulus that comes from making it easier to do business, and I think President Barroso gets that.

Mike Gapes (Ilford South) (Lab/Co-op): The Prime Minister referred to the need for maximum political and diplomatic unity. In that context, will he clarify the position as regards attendance at the conference tomorrow? Will all the members of the UN Security Council be there? What is the position of the British Government with regard to the remarks being made from Russia?

The Prime Minister: More than 40 Foreign Ministers will be attending tomorrow's meeting, and it is a meeting of Foreign Ministers, rather than Government Heads and Prime Ministers. In terms of who is coming, it is those countries that are active in the coalition, so there will be strong European representation, but we have also secured, as I said in my statement, strong Arab representation. Countries such as Iraq, Morocco, the United Arab Emirates and Qatar will be there and the Arab League will be represented. I have also heard that the African Union Secretary-General will be there, which is hugely to be welcomed. Not every permanent member of the Security Council will be represented, but crucially Ban Ki-moon will be there, so I think that it is a good opportunity to bring the alliance together to show its strength and depth and to work out the next moves forward, both militarily and politically and diplomatically. It is about showing that the world is still united around UN Security Council resolution 1973 and that there is a group of countries that are determined to implement it in the interests of the world.

Martin Horwood (Cheltenham) (LD): I strongly welcome the London summit, particularly the inclusion of Turkey, which is very important, but on the day that the Ashdown

report has emphasised the importance of anticipation in humanitarian response, can I ask that, even though the outcome is still very uncertain, both the summit and the European Union discuss not only the current situation in Libya, but the future humanitarian response, reconstruction and recovery scenarios?

The Prime Minister: I thank the hon. Gentleman for his question, and indeed Lord Ashdown for his very good and timely report. One of the things that we have been looking at for some time is how to get reconstruction and humanitarian aid into countries faster, which is why we have been looking at trying to have a combined military and development approach in some circumstances. In terms of who does the co-ordination, it seems to me that we should be trying to persuade the UN to take a leading role in co-ordinating, but there are some agencies, such as the International Red Cross and Médecins Sans Frontières, that are already getting into the ports, and we should be helping those that have got there.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): I noted what the Prime Minister said about completing the single market and including services. For the benefit of the House, will he clarify whether it is his understanding that, following his NHS legislation, NHS services would become subject to single market competition rules in Europe?

The Prime Minister: I think that the hon. Lady will find that it was in 2004 that the previous Government extended EU competition legislation to cover all aspects in the UK, and that has now been progressively extended to health as well. That is my understanding, but if I have got it wrong in any way, I will certainly write to her.

Margot James (Stourbridge) (Con): I applaud the Prime Minister's progress on deregulation within the EU, but may I draw his attention to the European Chemicals Agency's rewriting of the guidelines on the registration, evaluation and authorisation of chemicals, which will add considerable cost to chemical intermediates manufacturers in my constituency? I urge him to support the efforts of the Department for Business, Innovation and Skills in pushing back on those costly proposals.

The Prime Minister: I will certainly look into the case my hon. Friend mentions. I have received similar representations from companies in my constituency that are concerned, because they had just about worked out how to comply with one set of rules before seeing another set coming down the track, so I will make sure that BIS is doing as she says.

Thomas Docherty (Dunfermline and West Fife) (Lab): Will the Prime Minister confirm whether those armed forces personnel who are either carrying out or supporting operations will now be exempted from redundancy notices?

The Prime Minister: What we said very clearly with regard to Afghanistan is that anyone who is about to go on operations, is on operations or has recently returned from operations would not be subject to compulsory redundancy, and I believe that that should apply in all circumstances where people are effectively involved in conflict for their country.

Mr Bernard Jenkin (Harwich and North Essex) (Con): My right hon. Friend has rightly been commended for the way he has averted a humanitarian catastrophe, but will he say a little more about what will mark the end of this conflict? Ideally we would like to see Gaddafi step down, but is it possible that he could comply with the terms of the no-fly zone and the UN Security Council resolution while remaining in office and keeping the country divided, rather like a new Cyprus?

The Prime Minister: My hon. Friend asks the extremely difficult and very good question, because it is unclear what will happen next. People did not predict the rush to Benghazi, and nor did they predict the rush back from Benghazi. They did not predict that the rebels would be so effective at knocking the Gaddafi regime out of all those coastal towns, including the key oil installations, so it is difficult to have an absolutely clear picture of what will happen next. I think that what we should hold true to is the very strong UN Security Council resolution that is about a no-fly zone, about protecting civilians and about getting humanitarian aid in. To comply with that, Gaddafi must comply with all the things in the resolution and with what the President of the United States set out in his statement. I see no sign of that happening and, as that is not happening, we are right to go on enforcing the resolution.

Jason McCartney (Colne Valley) (Con): I have a dream: I have a dream that one day our country will not be liable for bailing out the eurozone. Will the Prime Minister confirm whether we have contingency funds set aside for any bail-out that goes ahead?

The Prime Minister: I share my hon. Friend's dream, but I have not had to stand on his shoulders, nor he on mine, to realise it; we both have our feet firmly planted on the ground. On that ground, we will be out of all the bail-out arrangements by 2013. That was negotiated by us in Europe, and that is a worthwhile thing that we have achieved, but we are stuck with article 122 in the meantime.

Mark Reckless (Rochester and Strood) (Con): It is good that we will not be liable for bail-outs after 2013, but will the Prime Minister build on his diplomatic successes by using the fact that we have a veto over the permanent arrangements as a lever to extract us earlier—and before we are on the hook for Portugal and Spain?

The Prime Minister: Let me just say again that I do not think we should speculate on other countries' financial situations; we certainly would not like it if they speculated on ours. The point is that, in return for agreeing to the treaty change that was put forward, we had an opportunity to win some benefits for the UK. We got ourselves out of all future bail-out mechanisms, and we got an assurance that article 122 would not be used again once those operations were in place. I think that that was the right approach for the UK. It was doable, it was negotiable and it was tough work, but we got it, and to say that there was some other option on the table is, if I may say so, not realistic.

Conor Burns (Bournemouth West) (Con): Having prevented Gaddafi from doing to his citizens in Benghazi with guns what he did to our citizens in Northern Ireland with cash, has the Prime Minister had time to

[Conor Burns]

reflect on the fact that, in publishing the legal advice, in being clear and honest about the objective and in going to the United Nations, he has done a great deal to restore the faith in his office that was so profoundly damaged after Iraq?

The Prime Minister: I am grateful for what my hon. Friend says. It is right to have debates in the House and to do so on the basis of a proper Cabinet decision. Let me just say that we have published not the legal advice, but a note based on the legal advice, and we will stick to the convention that the Government are entitled to receive legal advice confidentially, and then to act in the terms of that legal advice. When we are being asked all sorts of questions about what is legal and illegal under a UN Security Council resolution, I think that that is the right approach.

Geoffrey Clifton-Brown (The Cotswolds) (Con): Does my right hon. Friend agree that the biggest economic boost to Europe would be a successful conclusion of the Doha trade round? Was he not entirely right to keep the Council focused on that matter, and will he update us on progress?

The Prime Minister: The issue is about trade both internally within Europe and externally between Europe and other countries. On the first one, it is about completing the single market, and the point to remember is that the single market does not apply to four-fifths of our economy if it does not apply to services properly. On Doha, it is still extremely hard going, but if the Chinese and the Americans can agree to enlarge what is on offer, there is, still a prospect of making progress this year. We really need those two countries, however, to focus on the fact that there is a benefit to both of them if they show the political bravery to re-open things and try to make the deal larger.

Mr John Leech (Manchester, Withington) (LD): Will the Prime Minister assure the House that every effort is being made to protect the safety of UK citizens, including a number of Mancunian Libyans, still trapped in Libya?

The Prime Minister: I certainly give that assurance. We are still updating daily the number of British citizens in Libya and the numbers who want to leave. There has obviously been an increase, because so many journalists have gone to the country, but we do what we can with partners to try to get those people out who want to get out. Given that the Turks are now helping us with our diplomatic representation in Tripoli, there are avenues to do that, but if the hon. Gentleman has specific cases in mind, I refer him to the Foreign Secretary and his team, whom I know will do everything that they can to help.

John Howell (Henley) (Con): May I return my right hon. Friend to the communiqué on fiscal consolidation? I wonder whether he would say what message it now gives to those who still oppose tackling deficits on an urgent basis.

The Prime Minister: I think the simplest way of putting it is this: if we cut the deficit in half in four years, as Labour proposed, that would mean that in

four years' time our deficit would be about the same size as Portugal's today. That really brings it home to us that the problem in Britain is that much deeper because the deficit we inherited was that much bigger. That means, as the European Commission and the European Union said:

"Consolidation should be frontloaded in Member States facing very large structural deficits".

I think they mean us.

Mr William Cash (Stone) (Con): The Prime Minister knows that in the past he has promised the repatriation of laws relating to small businesses and employment and social legislation. He also knows that the Deputy Prime Minister has ruled it out. In the context of these promises from the European Council, which may turn out to be a triumph of hope over experience, as far as we can tell from the past, and with the Commission merely offering a report, would my right hon. Friend be good enough to reaffirm his policy of repatriation so that we can re-grow the British economy and pass the legislation overriding European business laws where necessary for our own national interest and growth?

The Prime Minister: The point I would make to my hon. Friend is that we had to come together in a coalition Government with a coalition agreement. If we are absolutely honest with ourselves, Europe is not an area where the Liberal Democrats and the Conservatives always agree, if I can put it that way. However, in the coalition agreement we came to a good agreement that we would not pass further powers from Westminster to Brussels, and that we would introduce the referendum lock so that any further transfer would be subject to referendum; and we also have the agreement that Britain is not intending to join the euro. In spite of the fact that we do not always agree on these European issues—and we are grown-up enough to make that point—I think it is a very strong coalition agreement, and one that all colleagues can support.

Mr Robert Buckland (South Swindon) (Con): When my right hon. Friend spoke to the Japanese Prime Minister on Friday, did he receive assurances from him that everything was being done to reopen Japanese factories that provide much-needed components to the British car industry?

The Prime Minister: I recognise the point that my hon. Friend makes, given his interest in the magnificent Honda plant in Swindon, which I had the great good fortune to visit. Indeed, although I am not allowed to drive it any more, I am the proud owner of a Honda made in Swindon. I know of the problem. I did not discuss it with the Japanese Prime Minister because we were talking about the absolutely urgent requirements for help for the Japanese now, but it will be key for the Japanese economy, and indeed for ours, to make sure that those trade links are opened up again as soon as possible.

Charlie Elphicke (Dover) (Con): Rather than bail-outs, will the Prime Minister consider putting it to the European Council that there is a better alternative, which is to get spending under control and get a really great Finance Minister like we have here?

The Prime Minister: My hon. Friend is right. Everyone in Europe has the same challenge: how do we get on top of fiscal deficits and what are the decisions that we need to make in terms of spending reductions and other measures? Everyone in Europe is engaged in this, apart from the Labour party.

Duncan Hames (Chippenham) (LD): It is not just tanks and planes that Gaddafi uses against his own people but the poisonous propaganda on Libyan state TV carried on NileSat, which threatens to undermine hopes for future peace in that country. What can be done to ensure that all Libyans, especially those in Tripoli, can access independent media on which to base their understanding of current events?

The Prime Minister: The hon. Gentleman makes a vitally important point. We want to do everything we can to try to make sure that people can access independent media, which have had a huge impact on these events. But also, frankly, we should take a tougher approach to Libyan state television, which, as far as I can see, is actually working on behalf of the regime that is terrorising and brutalising its own civilians. The hon. Gentleman makes a very good point that we should pursue urgently.

Dr Andrew Murrison (South West Wiltshire) (Con): My right hon. Friend is aware of the relatively peaceful progress being made in the Kingdom of Morocco, in sharp contrast to the situation in much of the rest of region. Will he ensure that we give every encouragement to Morocco following the very positive speech by King Mohammed VI which outlined constitutional and judicial reform in his country?

The Prime Minister: My hon. Friend makes a good point. The last European Council—there have been quite a lot of them—which was specifically about north Africa, the middle east and the events in Libya, mentioned the excellent speech by the king of Morocco specifically. At a time when many countries in the area are trying to reform, we should encourage those who are engaging in dialogue and reform, and not treat all these countries in the same way.

Chris Heaton-Harris (Daventry) (Con): The euro-plus pact, which was endorsed by the European Council and which I am pleased the UK has not joined, referred to a recently proposed directive on corporation tax, which would apply to the UK if it was adopted. Would the Prime Minister be prepared to veto that directive if it interfered with our tax sovereignty?

The Prime Minister: It is important that we maintain our tax sovereignty. That is one reason why I think it is right to stay out of the euro-plus pact. One of the terms of the euro-plus pact is to look at developing a common corporate tax base. If eurozone countries want to equalise their tax rates, that is a matter for them, but it is a folly in which I do not think we should engage.

Bob Blackman (Harrow East) (Con): I congratulate the Prime Minister on extricating us from the eurozone bail-out mechanism by 2013. Given that Portugal, Spain and Greece are in financial trouble, most people will be concerned about what contingent liabilities we will be exposed to between now and then. What has my right hon. Friend done to assess those potential liabilities?

The Prime Minister: We have assessed the liabilities. Debates have been held in this House and there is a great deal of information that I can make available to my hon. Friend. The matter is complicated because as well as the article 122 mechanism, which contains a limited amount of headroom, some of which has already been used up in the case of Ireland, another facility has been put in place that does not include the UK, which has considerably more headroom. Above and beyond that, we will have the future mechanism post-2013. If he likes, I can give him the full details on what all those things are and on the relatively limited liability that the UK has under article 122. As I have said, it is a liability that we wish we did not have.

Mr Peter Bone (Wellingborough) (Con): Over the weekend, my wife was saying what a wonderful job the Prime Minister was doing over the EU bail-outs, and that he was turning into a Mrs Thatcher. She wondered if he could use his immense charm and ability to persuade the euro countries not to ask us to participate in any bail-out? Will the Prime Minister satisfy Mrs Bone?

The Prime Minister: I am fast coming to the view that Mrs Bone is quite literally insatiable. I will—[*Laughter.*] I will certainly do my best, but there are some things of which it is quite difficult to persuade one's European colleagues. I take to heart the compliments that Mrs Bone paid in the early part of my hon. Friend's question.

Mr Speaker: I feel rather left out not to have met Mrs Bone.

Stephen Gilbert (St Austell and Newquay) (LD): Will the Prime Minister confirm that France and the other allied countries will take part in military action only through the NATO command structure, and will not prosecute separate campaigns outside that structure?

The Prime Minister: That is the arrangement that has been put in place. Obviously, it is both NATO's command and control structure and its machinery that everyone has agreed to use. The point that the French have made—I think that this is important—is that we should ensure that the world knows that this is not just a NATO operation, but that Arab countries are involved and that there is a broader coalition and alliance. Given that we have the NATO machinery, it makes sense to use it. I think that one should make those practical arguments, rather than getting too caught up in the theology.

Neil Carmichael (Stroud) (Con): I welcome the Prime Minister's emphasis on deregulation and on strengthening the Single European Act. Does he agree that we should apply that logic to the whole of Europe to ensure that our businesses can operate untrammelled across Europe and that investment is able to flourish?

The Prime Minister: I do agree. As I said, completing the single market can sound rather technical and dull, but when one considers how much our economies are dominated by services—80% on average—and the fact that there are still so many abuses of the single market by services in so many countries, it is clear that there is a real opportunity to enlarge the whole EU economy if we take these steps.

Mr Speaker: I must thank the Prime Minister and colleagues for their succinctness. Everybody got in, and we did not even take up the hour that I had it in mind to allocate.

Post-16 Education Funding

4.49 pm

The Secretary of State for Education (Michael Gove): With permission, Mr Speaker, I should like to make a statement on education after the age of 16.

Today's statement builds on the work of my colleagues such as the right hon. Member for Yeovil (Mr Laws), the original architect of the pupil premium; the Minister of State, the hon. Member for Brent Central (Sarah Teather), who has secured additional funding for reform of early years and special needs provision; my right hon. Friend the Deputy Prime Minister, who has been leading the coalition's radical programme of work on social mobility; and my right hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes), whose work as advocate for access to education has been driven by the ethical imperative of making opportunity more equal.

All of us know that an increasingly competitive world economic environment means that our children need to be better educated than ever. Sadly, however, we have been falling behind other nations in our educational performance. The OECD has reported that despite sharply rising school spending over the past 10 years, England has slipped down the international rankings from fourth to 16th for science, from seventh to 25th for literacy and from eighth to 28th for mathematics. Last month, in a new report, the OECD revealed that we have one of the most unequal education systems in the developed world. We have a system of education spending that is fundamentally inefficient, and we have an insufficient supply of high-quality vocational education.

The OECD's challenge is underlined by the conclusions of Professor Alison Wolf's report on vocational education. Professor Wolf has revealed that nearly half of school leavers never secure five decent GCSEs including English and maths, and that many of the qualifications that they currently secure are not respected by employers and colleges. The case for reform that she makes is unanswerable. We cannot carry on with a vocational education system that is broken, and we are determined to ensure that we have a technical education system that is among the world's best.

Action has already been taken by my hon. Friend the Minister for Further Education, Skills and Lifelong Learning. The number of new apprentices taken on in the last quarter was 54,000, 8% up on last year, and I expect that number to rise further in the months ahead. More young people are being trained for work, and the number of young people between the ages of 16 and 18 not in education, employment or training actually fell by 15,000 in the last quarter of last year. However, we know that more needs to be done. In particular, action needs to be taken to reduce bureaucracy. That is why my hon. Friend will be working with me in the months ahead to make it easier for small and medium-sized enterprises to hire apprentices, so that we can ensure that the next generation enjoys opportunities that were denied the last.

Critically, we know that the biggest determinant of whether students can stay on is their attainment at the age of 16, and specifically whether they secure good GCSEs in subjects that universities and employers value. So to raise attainment, especially among poorer

students, we have radically extended our academies programme, introduced a new, more aspirational measure of performance, the English baccalaureate, and are investing an additional £2.5 billion in the pupil premium for students who are in school to the age of 16. Today I can confirm that, building on the pupil premium, we will introduce additional funding for the education of students over the age of 16 who stay on at school and college.

We are already increasing funding for post-16 education next year to more than £7.5 billion, which is equivalent to more than 1.5 million places in schools, colleges and training. Within that £7.5 billion, £770 million is being spent on supporting the education of disadvantaged 16 to 18-year-olds. That is £150 million more than would previously have been available to schools and colleges specifically for the education of the most disadvantaged 16 to 19-year-olds. Nearly 550,000 young people will benefit from that student premium.

As we plan for more students to stay on, so we must reform how we fund the institutions that educate young people over the age of 16. I will therefore consult on a fairer funding formula for all schools and colleges in the sector. Already, thanks to the measures taken by the coalition Government, there will be more places in schools and colleges for students, particularly those who want a high-quality technical and vocational education. Because of the steps that we have taken to reduce waste and remove inefficiencies, my right hon. Friend the Chancellor of the Exchequer released in the Budget another £125 million to build new schools and colleges in England. We will double the number of university technical colleges planned from 12 to 24, and we will work with leading figures in industry and commerce to create a new generation of 16-to-19 technical academies that will support the growth industries of the future.

All schools should have the ability to benefit from a closer engagement with business, so I have today asked Bob Wigley, the chair of the Education and Employers Taskforce, to bring forward proposals that will allow every school to develop a link with local businesses through engagement with volunteer governors.

However, we must also ensure that no young person is prevented from staying in education or training for financial reasons. The education maintenance allowance was used by the previous Government to provide an incentive for young people to stay on, and it led to a small increase in overall participation, but as a report commissioned by the previous Government pointed out, there are real questions as to whether it is socially just to pay 45% of students a cash incentive to stay in learning when we could concentrate our resources on removing the barriers to learning faced by the poorest.

The social justice case for reform has already been made—by the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson), when he was Education Secretary in the previous Labour Government. He said in 2007 that the EMA was an incentive that “we will not be using”

in future. Instead, he argued, a Labour Government would need to “divert that” EMA “money into other areas”.

“What we will need to do”, he argued on behalf of the Blair Government, is “offer...assistance to youngsters...from poorer backgrounds”, which is precisely what I propose to do.

Today, I can announce the shape of the new, more targeted, student support scheme that we pledged to introduce last autumn. We have consulted extensively to ensure that we support those most in need, and I am particularly grateful to my right hon. Friend the Member for Bermondsey and Old Southwark for the work that he has done to help to secure a progressive solution.

The Government have already ensured that every household in which the family are not on the higher rate of tax, and where children stay on in school after the age of 16, will receive increased child benefit, and today I propose to increase the amount of support that we give to the most vulnerable. Twelve thousand students, those in care, care leavers and those receiving income support, including the severely disabled, should in future all receive an annual bursary of £1,200 if they stay on in education—more every year than they ever received under EMA.

I also propose that those most in need who are currently in receipt of EMA be protected. All young people who began courses in 2009-10 and who were told that they should receive EMA will still receive their weekly payments. Young people who started courses in the 2010-11 academic year and received the maximum weekly payment of £30 should now receive weekly payments of at least £20 until the end of the next academic year.

In addition, those students will be eligible for support from an entirely new post-16 bursary scheme. Our scheme will help to ensure that the costs of travel, food and equipment for poorer students are properly met, so that no one is prevented from participating through poverty. One hundred and eighty million pounds will be available for that bursary fund, which is enough to ensure that every child eligible for free school meals who chooses to stay on could be paid £800 per year—more than many receive under the current EMA arrangements.

Schools and colleges will have the freedom to decide on the allocation of the bursary. They are best placed to know the specific needs of their students, and we will give professionals full flexibility over allocating support. We will now consult on the implementation of the new scheme, so that allocations can be made for the new arrangements to come into effect from this September.

In these extremely difficult economic times, the coalition Government are prioritising the reform and investment we need across the education system. We are providing more investment in the early years to tackle entrenched poverty; tougher action to turn around underperforming schools; more investment in improving the quality of teaching, especially for the most disadvantaged; higher standards for all children at every stage, to get more going on to college and into fulfilling jobs; more academies to extend opportunity across the country; sharper accountability for how every penny is spent and how every pupil is taught; and more autonomy for all professionals, so that we can compete with the best.

We must ensure that we at last have a world-class education system in the decade ahead, and I commend this statement to the House.

Andy Burnham (Leigh) (Lab): On Saturday, thousands of young people came out on to the streets to speak out against the unfair decisions of this Secretary of State. On the "Today" programme, he was dismissive of their actions:

"Evan Davis: Will the march, however big it is, change your mind about any aspect of this cuts agenda? Michael Gove: No."

Given that so many people no longer have any faith in a word he says, perhaps it is entirely to be expected that he is here, just 48 hours later, announcing a humiliating climbdown. I do not think that we can dignify today's announcement with the word U-turn. He has taken a successful policy that improved participation, attendance and achievement in post-16 education, and turned it into a total shambles.

I will remind the House of the background. Before the election, both the Secretary of State and the Prime Minister made personal promises to young people that the EMA would stay. Even after the election, the schools Minister, the hon. Member for Bognor Regis and Littlehampton (Mr Gibb), pledged to keep it. Then, out of nowhere, the Secretary of State cut it by 90%, and today, under pressure, he tries to put a positive gloss on a 60% cut. Whatever he says, that is what it is—a successful scheme praised by the Institute for Fiscal Studies and leading economists cut by two thirds. Young people have seen through this and will not be taken in by this Secretary of State.

The truth is that with his confused decision making, the Secretary of State has already thrown into chaos thousands of young lives. Even today, many will be none the wiser about their futures. I will take three issues. First, on the money, I have a simple question: where is it coming from? How much is coming from elsewhere in the education budget? Will this announcement not cause chaos elsewhere? Is it true that he is cutting the careers service even further to pay for it—a service already in meltdown thanks to the complete failure of Ministers to manage the transition to a new service? If new money is being provided by the Treasury, how much and why was it not announced in last week's Budget?

Secondly, on the numbers who will benefit, the Secretary of State claims that the poorest 12,000 students will receive more than under the current scheme. What he did not say is that it amounts to 77p a week more. What has he got to say to the other 588,000 young people who stand to lose over £1,000 a year and to whom he gave a personal promise that they would keep this support? On the Opposition day debate, he stood at that Dispatch Box and promised that his new scheme would help with travel costs and equipment, and provide help for young parents, carers, those leaving care and young people with learning disabilities. Can he today assure the House that all of those promises are met by this announcement? What about the estimated 300,000 first-year students in the middle of a two-year course? He knows that a legal opinion obtained by the Labour party showed that these students had a strong case against the Secretary of State. Is it not the case that today's partial climbdown was only prompted by the threat of legal action and the panic realisation that he was at risk of yet another reverse in the courts?

Thirdly, on how this scheme will work, we welcome the Secretary of State's climbdown on keeping a national automatic payment system for about 2% of current recipients. Is it not the case, however, that under his proposed scheme more than half a million young people will no longer have any guarantee of the level of support they can expect? Does not that lack of clarity in this new scheme run the same risk of thousands of young people walking away from education altogether? The fact is that his proposals fail to build on the strengths of

[Andy Burnham]

the current system. Is it not the case that college principals and senior staff will be spending a huge amount of their time administering this fund and will be placed in the invidious position of having to make impossible decisions between equally deserving claims for support? Will there be any national criteria for eligibility and, if not, are we looking at an unfair postcode lottery?

Will the new scheme replicate the weekly conditional payments that have helped to boost attainment and stay-on rates? Five months ago the Secretary of State made a decision that dropped a bombshell on young people in this country, and we are told today that there will now be a further period of consultation—more consultation! Young people are facing a difficult enough future, but still they do not know what financial support they will get. We are five months away from the start of the academic year, yet people working in education do not have the precise details.

This is yet another shambles from a Secretary of State who lurches from one disaster to another: Building Schools for the Future, school sport partnerships, Bookstart and now EMA. The pattern is always the same—a snap decision, no consultation, no evidence to support it and then a grass-roots backlash as his policy unravels before our eyes. It is becoming ever clearer that this is a Secretary of State out of his depth—who has not worked out the difference between being a journalist and being a Minister, and whose shortcomings have been cruelly exposed in office. His transformation is indeed a remarkable one—from the Tory golden boy to the coalition Mr Bean.

But the danger with this Secretary of State is that his incompetence is having a direct effect on the hopes and dreams of thousands of young people. Even after today's announcement, with universities lining up to charge the full £9,000 in fees and youth unemployment at record levels, thousands of young people will still have to downgrade their ambitions, leave their studies and give up hope of a university education. Is that not a damning indictment of any Secretary of State for Education?

Michael Gove: I am very grateful to the right hon. Gentleman for those questions. I am grateful for his reference to people being out of their depth—I will of course acknowledge his expertise in this area. I am also grateful to him on behalf of my right hon. Friend the Secretary of State for Business, Innovation and Skills for once more recycling the Mr Bean joke—the copyright on that joke will ensure that the right hon. Gentleman enjoys a successful and happy retirement in years ahead.

The first question that the right hon. Gentleman asked was: where is the money coming from? The answer is that the money for all public spending comes from the taxpayer. It was on his watch that the taxpayer got a spectacularly bad deal from a Government who spent every penny and left this coalition Government with a difficult economic inheritance. He asked whether the money would be allocated by discretionary means. I pointed out in my statement that it absolutely will. He argued that college principals would face an invidious decision, but he must know that it was the Association of Colleges that argued that the new fund should be put in place on discretionary principles. Perhaps he should consult college principals before claiming to speak on their behalf.

The right hon. Gentleman accused the coalition at one point of engaging in no consultation, and of having too much at another. There was no consistency at all in the questions that he asked. There has been a certain consistency in his position in one area, however, and that is his consistent refusal to state what his alternative would be. The truth is that Labour does not have a policy on this issue or any other education issue. We know what the right hon. Member for Kingston upon Hull West and Hessle thought: he said that we should divert money from the EMA to the poorest. We know what the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown) thought: that we should divert money from child benefit to pay for EMA. However, we do not know what the right hon. Member for Leigh (Andy Burnham) thinks, beyond believing that students should have money to go out for drinks with friends.

We do not know how the right hon. Gentleman would pay for his alternative to our proposal, because he has opposed every saving that we have made. We do not know what he thinks people should be studying when they are not going out, because he has opposed every reform to raise standards. He has no policies on education other than blanket opposition. No wonder he did not join the march for an alternative on Saturday—he does not have one.

Mr Graham Stuart (Beverley and Holderness) (Con): I welcome the statement and the funding—which is greater than was originally expected—going into the new bursary scheme. I also welcome the focus on the poorest, to whom it is appropriate to ensure that that funding goes. Can the Secretary of State tell the House on what basis the money will be allocated? Will it be based on free school meals? Indeed, is that part of the consultation? Can he also confirm again that colleges will have total freedom in how they spend the money, so that they can provide directly for transport, for instance?

Michael Gove: The Chairman of the Select Committee on Education asks two intimately related and very good questions. On the first, I can confirm that we intend as closely as possible to mirror funding for the replacement scheme and existing funding, which was given to colleges on the basis of EMA entitlement. However, as he rightly points out, in the consultation, which will relate to the implementation of the scheme, we will take on board the points made by college principals and others, in order to ensure the fairest possible distribution of funding. Unlike with the EMA, college principals will have explicit flexibility under our scheme to be able to provide for transport, among other needs.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Any change from the Secretary of State's former proposals is welcome, and we are certainly in favour of those in the greatest need getting the greatest amount of help. I recently visited Kirklees college in Huddersfield and found that what was being taken away from most of the young people there was the ability to get to college. The EMA was being spent on transport and food, and I hope that the right hon. Gentleman will join me in dispelling the myth that people were using it as spending money for drinking and parties.

Michael Gove: We want to ensure that those who need help to pursue their learning have that help, and that is why the money will be in the hands of principals.

That arrangement will be more flexible, and the money will be targeted precisely on the need for food, transport and equipment. By ensuring that fewer people receive it, we can also ensure that those in need receive more.

Andrew Stephenson (Pendle) (Con): I welcome the £194 million of transitional support for those who are currently on EMA. I also welcome the fact that the more targeted support will be delivered through schools and colleges. When I was last speaking to a group of students at Nelson and Colne college, many of them said that it was far better to have discretionary support provided by the college for transport and for course-related costs, rather than a cash payment. Does the Secretary of State agree with them?

Michael Gove: I am grateful to my hon. Friend for his question. I know that Nelson and Colne college has particular issues relating to transport. The new, flexible fund will enable us to ensure that those learners, particularly those most in need and who need the most help with transport, will receive timely support that will enable them to carry on learning at that highly successful institution.

Paul Goggins (Wythenshawe and Sale East) (Lab): It is not much of a claim for the Secretary of State to say that the scheme he is now offering is more generous than abolition. He has caused huge confusion in the minds of young people in my constituency. In his statement, he said: "Our scheme will help to ensure that the costs of travel, food and equipment for poorer students are properly met, so that no one is prevented from participating through poverty." How is he defining "poverty" in those specific circumstances?

Michael Gove: As I explained in my statement, enough money is available in the fund to ensure that every student who is eligible for free school meals could receive £800, which is more than they would receive at the moment. Of course there is a lively debate about how we should define "poverty", but the decision by both parties on the Government Benches to target help on those eligible for free school meals seems to be a very good metric, as a starting point.

Simon Hughes (Bermondsey and Old Southwark) (LD): I thank the Secretary of State not only for his statement and for the additional financial support, but for a new scheme that seems to be a strong, grown-up successor to the education maintenance allowance. Does he agree that the evidence is clear that the wider the participation in further education is, the wider the participation in higher education will be? The new scheme will mean that no youngster from a poor family should be precluded from going to college for want of reasonable travel costs, all of which can be met under the scheme.

Michael Gove: Absolutely. I want to take this opportunity to underline my gratitude to my right hon. Friend for the painstaking way in which he has consulted students across the country, and for the thoughtful way in which he has put forward his proposals to ensure that our aim for a discretionary fund targeted on the very poorest can be implemented effectively. He is absolutely right to say that if we encourage more students to take part in

further education, we will be able to achieve our joint aim of ensuring that more students, particularly from the poorest backgrounds, go on to college and university.

Ann Coffey (Stockport) (Lab): I am very pleased that students who are in receipt of EMA will continue to get some financial support for the continuation of their course, but will the Secretary of State tell me what plans he has to monitor the new scheme to ensure that young people from lower-income families are not discouraged from entering further education?

Michael Gove: The hon. Lady makes a very constructive point. We are going to consult on implementation. In the process of designing the new scheme, we have worked with the Association of Colleges, the Sutton Trust and others. I will be looking for evidence on the ground to ensure that all barriers are removed, and I would be very happy to work with the hon. Lady in the future. If she encounters any specific cases of students being unable to access the support that they need, we will ensure that they receive it.

Jason McCartney (Colne Valley) (Con): I welcome the Education Secretary's statement, particularly in relation to the more targeted support for those in real need. Josh and Georgia from Huddersfield New college in Salendine Nook came to see me on Friday in my constituency office. They were concerned about travel costs, including their train and bus fares, in our rural constituency in west Yorkshire. I see that the new arrangements will come into effect in September. How soon will colleges and sixth forms have the details of how the new arrangements will help with travel costs?

Michael Gove: I know my hon. Friend used to be a lecturer at Leeds Metropolitan university, and he has been committed throughout his career to ensuring that students from poorer backgrounds enjoy appropriate access. I hope the arrangements announced today will give his constituents the flexibility they need to meet the specific travel costs that his rural part of Yorkshire compels students to meet.

Dan Jarvis (Barnsley Central) (Lab): Given that more than 3,500 young people in Barnsley currently claim EMA, can the Secretary of State guarantee that the number of 16 to 18-year-olds participating in education will not fall?

Michael Gove: It is our intention to make sure that the number participating continues to increase. As I pointed out in my statement, the number of 16 to 18-year-olds not currently in education, employment or training fell in the last quarter. I hope that the number of apprenticeship starts to be revealed later this week will show that that strong trend is continuing encouragingly.

Conor Burns (Bournemouth West) (Con): What message does the Secretary of State have to colleges such as the Bournemouth and Poole college in my constituency, which were so profoundly let down by the decision under the last Government to withdraw the funding for their capital project through the Learning and Skills Council? That means that young people aspiring to go to that college will now be taught in temporary classrooms. Is there anything the Secretary of State can say to reassure them about their future?

Michael Gove: I am grateful to my hon. Friend for reminding us that it was under the last Government that the Learning and Skills Council's capital scheme collapsed, causing no end of heartache to many principals and students who had hoped that they would be able to enjoy handsome new facilities. The Chancellor has released through the Budget £125 million of additional capital spending for England. That money is intended to ensure that we have a new generation of university technical colleges, but some of it will go to support 16-to-19 institutions as well.

Nic Dakin (Scunthorpe) (Lab): The majority of post-16 students attend colleges and are not currently eligible for free school meals. Will the Secretary of State confirm that, in line with his statement, they will be eligible for free school meals in future and will be paid the additional £800 a year that he has just announced?

Michael Gove: That is fair point. The hon. Gentleman was previously the principal of a very successful further education college. As he will know, many FE colleges simply do not have the facilities to be able to provide free school meals; they do not have the cafeterias or kitchens in place. What we need to do is ensure that students who are attending FE colleges have the money they need so that if they are travelling particular distances and are learning at different times, they receive the support they need—whether it be for subsistence, transport or equipment. We both know that the way in which students learn after the age of 16 is varied and does not follow the same pattern as the normal school day. That is why the provision has to be flexible in order to ensure that the very poorest receive the support they need.

Sir Alan Beith (Berwick-upon-Tweed) (LD): While I welcome the Secretary of State's announcement on targeted assistance, may I remind him that he has seen for himself the inadequate conditions in which high school pupils in Alnwick are taught. When is he going to make an announcement about the capital scheme so that a bid can be put in to help provide a new school?

Michael Gove: My right hon. Friend makes a fair point and we shall make an announcement shortly. I am sorry that we have not yet been able to provide additional support for the Duchess's high school in Alnwick. As he knows, that school was not supported under the old Building Schools for the Future scheme, but we hope that the new method of allocating capital for schools, which we will announce, will allow those whose buildings were neglected by the last Government to receive support.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Last year, 7,700 of the poorest students in Liverpool were able to continue their studies because they received education maintenance allowance. How many of those students will receive equivalent support under the Secretary of State's proposal to help only the very poor?

Michael Gove: Without knowing the precise details of the composition of that larger number, I cannot say definitively. What I can say is that it will be constituencies such as the hon. Lady's that are likely to benefit most, while constituencies such as my own are likely to benefit least. One problem with the EMA scheme was that

45% of students received money, which meant that we were not supporting constituencies like the hon. Lady's, which deserve the most generous support that the coalition Government can give.

Robert Halfon (Harlow) (Con): Young people in Harlow and elsewhere will welcome the investment in university technical schools. Will my right hon. Friend come to visit Harlow college, which is preparing a bid for such a school and would greatly welcome a visit from him. On EMA, I ask my right hon. Friend to consider giving bursaries to students who improve their academic performance, rather than basing them only on attendance?

Michael Gove: I should be delighted to visit Harlow at some point to see what we can do to advance the very exciting plans for a university technical college. I am also happy to confirm that the flexibility of the new scheme will enable college principals to tailor it to the specific needs of students. It is true that the old EMA provided an incentive for attendance, but this scheme could help college principals to give more support to the very poorest students who put in the most impressive performances and whose learning needs to be supported most strongly.

Jeremy Corbyn (Islington North) (Lab): Can the Secretary of State explain how the money enabling the college principals to give discretionary awards will be drawn down? Will there not be a perverse incentive for colleges not to take on pupils from poorer backgrounds because they are more likely to demand more money? Would it not be better for us to have a national scheme based on rights, with national application and national distribution? Such a scheme was pretty successful under EMA, resulting in more young people staying on at college and going to university.

Michael Gove: The hon. Gentleman and I disagree on many matters of principle, but he is absolutely right to say that we must support the very poorest. That has been a consistent theme of his political career. The new scheme will allow the very poorest to receive more than they did under the previous scheme, and will enable college principals to target their resources on those who are most in need. I believe that those college principals, rather than the hon. Gentleman or me, are best placed to identify the needs of students.

Andrew Percy (Brigg and Goole) (Con): I look forward to welcoming the Secretary of State to my constituency in the near future. As he knows, I support many of the educational changes he has introduced, but he will also know of the concern that I expressed about the EMA change. I welcome what he has now announced, and I certainly want nothing to do with the pooh-poohing of EMA. However, will he assure me that, although giving more discretion to education professionals is important, safeguards will be introduced to ensure that colleges which compete for students in areas such as mine will not be able to use the fund as a bribe to encourage students to attend those colleges rather than others?

Michael Gove: I look forward to visiting both Lincolnshire and the east riding of Yorkshire on Friday. I recognise the concerns that my hon. Friend has raised, but I want to ensure that we trust professionals. When it

comes to the admissions of pupils aged both 11 and 16, we need to ensure that schools are incentivised to attract the very poorest students, and that nothing can work against that.

Emily Thornberry (Islington South and Finsbury) (Lab): May I first say how much City and Islington College—where 3,000 children currently receive EMA—is looking forward to the Secretary of State's visit on 12 May? As we prepare for that visit, will he help us by clarifying something? At present, what I would term the poorest—those whose parents are on benefits and who have been given free school dinners—receive £1,170. Under the right hon. Gentleman's current plans, only children who are in care, are care leavers or receive income support themselves will receive the maximum amount. EMA for children who were being given free school dinners and whose parents are on income support will be cut by a third. Is that right?

Michael Gove: No, it is not right. It is the case that we will be paying more to those who are most in need—£1,200 for 12,000 students—and it is also the case that a discretionary fund will be available to ensure that college principals can decide that students with specific needs will receive exactly what they deserve.

Angie Bray (Ealing Central and Acton) (Con): Can my right hon. Friend confirm that the last Government commissioned research which had already concluded that we would need to move to a more targeted system for those in the most need?

Michael Gove: I am grateful to my hon. Friend for making that point. The former Secretary of State for Children, Schools and Families commissioned work from the National Foundation for Educational Research, which demonstrated that we needed to target resources more effectively on the very poorest.

Paul Blomfield (Sheffield Central) (Lab): It is clear from the Secretary of State's announcement that thousands of young people will lose out on funding as a result of the significant level of cuts. He has transferred the responsibility for bearing the bad news for those thousands to school and college heads. That is a massive task for them to undertake. How does he expect them to resource the task within individual schools?

Michael Gove: I am grateful to the hon. Gentleman for making his point, and I know that he has been committed to supporting better educational outcomes in Sheffield. When we consulted on this scheme, college principals themselves said they would prefer it to be discretionary, and my understanding is that both the Association of Colleges and the Association of School and College Leaders say they would prefer to be able to allocate funds in that way.

Mr Edward Timpson (Crewe and Nantwich) (Con): I welcome the announcement that children in care and care leavers who stay on in education will receive an annual bursary of £1,200. In order to ensure that they have the best possible educational experience, will my right hon. Friend consider widening the scope of the Frank Buttle Trust quality mark, under which care leavers and children in care who move on to further or

higher education have the assurance that their educational establishment will meet all their needs, including their educational needs?

Michael Gove: My hon. Friend makes an important point, and I will ensure that the Under-Secretary of State for Education, my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton), who has particular responsibility for children in care, and my hon. Friend the Minister for Further Education, Skills and Lifelong Learning take that work forward. Today's announcement of additional support for children in care and for care leavers follows on from last week's announcement that such children will also receive support through a new individual savings account scheme, to ensure that they can build up a capital pot to help to support them in subsequent education or work.

Jim Fitzpatrick (Poplar and Limehouse) (Lab): As the Secretary of State will know, the introduction of the education maintenance allowance led to a big increase in stayers-on aged over 16 in Tower Hamlets. Has his Department assessed the impact of his proposals on boroughs such as Tower Hamlets, and if so, will he publish the results and compare them with what happens after his proposals have been implemented in September?

Michael Gove: As we outlined at the time of the last spending review, we sought to construct a replacement scheme that would, within the resources available, be more progressive, and we believe that constituencies such as the hon. Gentleman's will benefit more than some constituencies represented by Conservative Members. We will keep the scheme under review, however. A quality impact assessment has been prepared, and I will be happy to talk to the hon. Gentleman if there are specific problems in supporting the many students in his cosmopolitan constituency who want to stay on.

Mr Marcus Jones (Nuneaton) (Con): I warmly welcome my right hon. Friend's statement. I also welcome the consultation, but ask him to ensure that the details of the student bursary fund, including the allocations to further education colleges, are confirmed as quickly as possible, in order to give certainty to those students requiring assistance who are looking to enter further education this year.

Michael Gove: My hon. Friend makes a good point. As ever, I wanted to balance the requirement to consult widely—and I am grateful to my right hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes) for talking to so many students about what exactly was required—with the need to move on so as to provide certainty to institutions. We undertook a process of consultation beforehand and brought forward these proposals in line with principles we outlined at the time of the comprehensive spending review. We will now consult in the next eight weeks in order to make sure the proposals can be implemented fairly.

Liz Kendall (Leicester West) (Lab): Some 2,200 young people at Leicester college get the maximum EMA, precisely because they are from some of the poorest and neediest families in my constituency. There is obviously going to be a great deal of uncertainty about the future, so can the Secretary of State tell the House when

[Liz Kendall]

colleges will receive the money for the new scheme and, crucially, when students and their families will learn about the criteria, because that is very important to them in deciding whether or not to stay on?

Michael Gove: The first point to make is about the hon. Lady's constituents who are already at college: if they received notice of their EMA support in the academic year 2009-10, they will receive the full amount; if they received notice in 2010-11, those who currently receive £30 will receive at least £20, and discretionary support will be available. We propose that the amount the college receives should be broadly in line with the amount it received beforehand, reflecting the level of need in the hon. Lady's constituency, but we will be consulting on the implementation over the next eight weeks, so that the amount can be in place for distribution from September.

Dan Rogerson (North Cornwall) (LD): I welcome the Secretary of State's announcement and measures such as the money over and above what was originally talked about and, in particular, the transitional money. I also congratulate my right hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes) on the work he has done in his report to Government. However, I seek the Secretary of State's assurance that he will continue to look at transport issues and ensure that sufficient money is provided in both urban and rural areas, so that transport provision is in place for people to access.

Michael Gove: My hon. Friend makes a good point. Some local authorities—I have mentioned before in the House Liberal Democrat Hull and Conservative Oxfordshire—do a very good job in providing transport for students staying on after the age of 16, but all local authorities need the support that this new scheme is intended to provide. I am also aware that, obviously, after the age of 16 students tend to travel further to their place of learning, particularly in rural constituencies such as the one my hon. Friend represents, and we will be working with the Association of Colleges and others to make sure they are supported.

Lisa Nandy (Wigan) (Lab): The vast majority of EMA recipients are in households whose annual income is less than £21,000—no Member of this House is on anything like the same. If the Secretary of State can find money to fund his pet initiative on free schools, why can he not find money to show those young people that they are worthy of our support?

Michael Gove: I am grateful to the hon. Lady, who worked very hard before she came into this House to shine a light on the difficult circumstances faced by children growing up in poverty. That is why we are spending £2.5 billion more over the lifetime of this Parliament on the education of the very poorest five to 16-year-olds. Of course the amount of money available for this support fund will mean that some students who currently receive cash will no longer do so, but it will also mean that more money is being spent on the education of the very poorest 16, 17 and 18-year-olds, as well as there being more money for their support. I believe that the progressive approach we are taking to

education funding will mean that those she has spent her political career fighting for will benefit more from this Government than from the previous one.

Nadhim Zahawi (Stratford-on-Avon) (Con): Vocational learning will be crucial for us in rebalancing the economy. Can my right hon. Friend confirm that the all-age careers service will radically change the quality of advice on vocational learning?

Michael Gove: I can confirm that because, thanks to the brilliant work carried out by the Business Secretary and the Minister for Further Education, Skills and Lifelong Learning, we have an exciting new approach to providing support and advice for those in careers. In addition, thanks to the changes that we have made to accountability measures, through such things as the English baccalaureate and the Wolf review, we will ensure that students who in the past were not able to progress on to college and on to worthwhile jobs at last have the chance to succeed.

Ian Mearns (Gateshead) (Lab): Under the current system, EMA payments are related to attendance and the completion of coursework, which in itself helps to raise attainment. What steps is the Secretary of State taking in the new scheme to include that provision? How will he ensure that enough money goes to colleges in the poorest areas under the new funding mechanism?

Michael Gove: The hon. Gentleman makes two very good points. He mentioned, as I did, that one of the benefits that EMA brought was a linkage between attendance and the completion of coursework, and, thence, attainment. There will be flexibility for college principals to design their own schemes in order to reward not only attendance and the completion of coursework, but exceptional achievement, if they believe it is right to do so. The way in which we are weighting the allocation of funds to colleges is intended to ensure that the very poorest receive the most. The process of consultation over the next eight weeks, in which I hope the hon. Gentleman will participate, is intended to ensure that we accurately and fairly reflect the needs of the most disadvantaged.

Jane Ellison (Battersea) (Con): I recently had the pleasure of visiting South Thames college, in my constituency, with the right hon. Member for Bermondsey and Old Southwark (Simon Hughes). The comments we heard from young people that day bear little resemblance to the broad-brush rhetoric we have heard from those on the Opposition Front Bench today. What those young people did say was that they are keen to know what their options are at a much younger age. I very much hope that Ministers will give considerable thought to putting together a comprehensive package of intelligible information, to be made available to young people earlier than it is now, setting out the growing options post-16.

Michael Gove: My hon. Friend makes two very important points. The truth is that among the generation in receipt of EMA there is not majority support for the continuation of the old scheme; they recognise that a more targeted scheme would be right. [HON. MEMBERS: "What?"] I am terribly sorry, but Opposition Front Benchers should

pay attention to what people think rather than what they imagine people think. Had they done so, it might have helped them to stay in power.

On my hon. Friend's other point, we do need to ensure that people receive appropriate advice. As Professor Alison Wolf pointed out in her groundbreaking report, hundreds of thousands of young people received the wrong advice under the previous Government, which is why they are not in the fulfilling jobs that they needed to be in.

Rushanara Ali (Bethnal Green and Bow) (Lab): The principal of my local college, Tower Hamlets college, recently told me that in the light of the reduction in the overall EMA funding he would have to choose one out of four students from poorer backgrounds who could qualify. In the light of today's announcement, will the Secretary of State confirm that the other three out of the four students who used to get EMA will now qualify? The people of Tower Hamlets live in an area with some of the highest child poverty in the country and, as he can imagine, this support is desperately needed—it is £1 million that the college needs. Will he please confirm that that is now available?

Michael Gove: I am grateful to the hon. Lady, who has argued politely and persistently behind the scenes for the interests of her constituents. Like the hon. Member for Poplar and Limehouse (Jim Fitzpatrick), she represents a constituency where need is greater. That is why Tower Hamlets continues to be among the best-funded local authorities for students between the ages of five and 16, why Tower Hamlets will benefit disproportionately from the pupil premium, and why I wanted to ensure that the replacement scheme supports the students she is anxious to help. I will work with her to ensure that those most in need get such help.

Mr John Leech (Manchester, Withington) (LD): Up till now, the reform of EMA has been a complete PR disaster. How will the Secretary of State ensure that the improvements announced today will be outlined to young people to ensure that they will not be put off continuing in education post-16?

Michael Gove: I will rely on the effective and persuasive advocacy of my hon. Friend the Minister for Further Education, Skills and Lifelong Learning.

Chris Leslie (Nottingham East) (Lab/Co-op): The Secretary of State said a moment ago that EMA did not enjoy the support of the majority of the young people who received it. What was the source for that claim?

Michael Gove: An opinion poll.

Mr Stewart Jackson (Peterborough) (Con): I welcome the statement and so will students at Peterborough regional college. I would resist the churlish response from those on the Opposition Front Bench, marked out by intellectual incoherence and opportunism. Is my right hon. Friend as surprised as I am that nowhere in the comments made by the right hon. Member for Leigh (Andy Burnham) was there an apology for their record? Social mobility ossified in 13 years of Labour Government to the extent that more—

Madam Deputy Speaker (Dawn Primarolo): Order. May we have a question that falls within the responsibility of the Secretary of State and this statement?

Mr Stewart Jackson: More people went to Oxford university in those 13 years from one noted public school than from the entire care system. Is that not a legacy of shame?

Michael Gove: My hon. Friend makes an excellent point succinctly and well.

Pat Glass (North West Durham) (Lab): We have already heard that students on EMA attended at a higher level than their peers and made disproportionate progress. Given that the Secretary of State has said many times that he wants to narrow the gap for those children, what measures will he put in place to monitor whether the children from the poorest families continue to have higher attendance and disproportionate progress, or will that be left to individual colleges? My question is about the specific monitoring proposals.

Michael Gove: The hon. Lady makes a very good point. One thing that I am unhappy with is the system of accountability for post-16 education that we inherited. I believe we need a sharper system of accountability post-16 and, in particular, that system needs to focus on outcomes for the very poorest. One problem we inherited from the previous Government was that we did not have the information necessary to see how institutions were performing. It is only now that we know, for example, that only 16% of students, in the last year for which we have figures, managed to secure five good GCSEs including English, maths, science, a modern foreign language and a humanities subject. The fact is that those students eligible for free school meals did not succeed at anything like the same level as their wealthier contemporaries.

Justin Tomlinson (North Swindon) (Con): I welcome plans further to expand apprenticeships for post-16s. Does my right hon. Friend agree that small businesses could be encouraged and informed of these schemes by including promotional material in the annual business rates mailing?

Michael Gove: My hon. Friend makes a very good point. I understand from my hon. Friend the Minister for Further Education, Skills and Lifelong Learning that we are doing just that with the National Apprenticeship Service.

Kate Green (Stretford and Urmston) (Lab): Has the Secretary of State made any assessment of the possible impact on the viability of colleges and college courses of student numbers falling significantly when EMA's replacement is no longer available to many thousands of young people who otherwise might have been eligible?

Michael Gove: The hon. Lady has been a passionate campaigner against child poverty, but on this occasion I fear that her powers of logic are not doing her justice. The truth is that we know from all the research that was undertaken that of those eligible for EMA—45% of the total cohort—only 10% said that they would not have participated without that sum, which works out at about 4.5% overall. We will ensure that many more

[Michael Gove]

students than 4.5% of the total receive the support they need so that no student should be prevented from participating as a result of these changes. In fact, more of the very poorest students should be supported to participate. If there are any problems in the hon. Lady's constituency in the operation of the scheme, I would be very happy to work with her to ensure that every student who needs support receives it.

Chris Heaton-Harris (Daventry) (Con): Daventry has both a need and a desire for a university technical college and has had a bid before the Secretary of State for a number of weeks now that is well supported by the university of Northampton and schools and businesses in the town. Can he give us the timetable for announcements going forward?

Michael Gove: I enjoyed a visit to Daventry to meet my hon. Friend a few weeks ago and I hope to go again in due course to work with him to bring forward plans for a new university technical college. Although I admire his ardour, I urge him to be a wee bit patient just at the moment because we are developing plans to move from 12 to 24, and in the next few months we should be able to bring them forward.

Richard Fuller (Bedford) (Con): Many young people will share my right hon. Friend's disappointment that his opposite number, the right hon. Member for Leigh (Andy Burnham), who was part of a Government who maxed out the country's credit card and racked up levels of debt that people will have to repay for their entire careers, has had absolutely nothing constructive to say today. Will my right hon. Friend note that in the review of EMA, one comment was that a large proportion of Bangladeshi and Pakistani students relied on it? Will his review look into that to see what can be done to ensure that their participation in higher education can continue?

Michael Gove: I am very grateful to my hon. Friend, who is particularly concerned to ensure that students from ethnic minority backgrounds enjoy better opportunities. One thing that we will do is liaise with college principals to ensure that currently under-represented groups, particularly Bangladeshi and Pakistani students and especially Bangladeshi and Pakistani female students, are encouraged to participate in future.

Richard Graham (Gloucester) (Con): Today's announcement will benefit the most disadvantaged youngsters in my constituency, as elsewhere, but in these very difficult times for Government spending, does my right hon. Friend agree that it is important that the fund should be spent on transport and food rather than on "time out with friends"? Will he consider allowing colleges to distribute the money through vouchers for transport and food rather than in cash?

Michael Gove: My hon. Friend makes a very good point. He reminds the House of the right hon. Member for Leigh's somewhat curious suggestion that we should maintain EMA to ensure that people can receive money to socialise. In fact, what we will be doing is making sure that transport, food and equipment are provided and my hon. Friend makes a good point that in some rural areas colleges or groups of colleges might wish to work together to ensure that transport needs are met.

Stephen Gilbert (St Austell and Newquay) (LD): As someone who benefited from free school meals, I welcome the focus that my right hon. Friend places on encouraging pupils from poorer backgrounds to stay in education. Does he recognise, however, that free school meals are not always taken up in rural areas and will he therefore ensure that it is eligibility, rather than take-up, that counts for access to the bursary?

Michael Gove: That is a really good point and I want to deal with this issue. It is not only in rural areas that take-up of free school meals is lower than eligibility: that is also the case among some black and minority ethnic groups. We want to ensure that such eligibility is increasingly used as a means of targeting disadvantage and we think that the introduction of the pupil premium, which I know my hon. Friend helped to design in opposition, will ensure that more students take up their entitlements.

Bob Blackman (Harrow East) (Con): Young people in my constituency have told me that only EMA enabled them to stay on in further education, but others have told me that they used the money at Tesco to buy alcohol. Clearly, we have to ensure that money is targeted at the right people, but what controls will be imposed to ensure that the transitional funding is not abused?

Michael Gove: We will do everything in our power, but colleges and college principals who understand the ecology of the local labour market and the needs of local students are often in a better position to tailor support than any Minister or bureaucrat sitting in Whitehall would be when developing that scheme in the abstract.

Mr David Ward (Bradford East) (LD): I strongly welcome the statement but I wish there had been a tiny glimmer of acknowledgement from the Opposition of the ground that has been shifted here. They all say that the person who never thought twice never thought once, and I want to thank the Secretary of State for thinking twice on this. Does he agree that this is not a U-turn because a U-turn takes you back to where you were before and we are not where we were before? Nobody who opposed the removal of EMA in our debate on this issue was of the opinion that it did not need to be reviewed, so I welcome the review. Will the Secretary of State give us an undertaking that there will be a review of the new proposals to make sure that we get to where we want to be—supporting children from deprived backgrounds to enable them to do what they want to do with their lives after 16?

Michael Gove: I always take seriously what my hon. Friend says because before he came to the House he worked very hard as a councillor in Bradford to ensure that the education of the poorest children was enhanced. I am grateful to him for his support. The point that he makes—that we need to make sure that the new regime is kept under review to ensure that it helps the very poorest—is right. I look forward to working for him. The tough questions that he asks and the constructive support that he offers are a model to the rest of the House.

Madam Deputy Speaker (Dawn Primarolo): Thank you, Secretary of State and thank you all for the brisk answers and mostly brisk questions, which helped us get through a considerable number of Members' questions.

Points of Order

5.45 pm

Kevin Brennan (Cardiff West) (Lab): On a point of order, Madam Deputy Speaker. The Secretary of State cited an opinion poll in support of an assertion that he made in the course of his statement. I know that he always says he wants to back up his assertions with evidence, so I wonder whether it is within your powers to require him to place a copy of that opinion poll in the Library of the House so that we might all consult the evidence that he cited in the statement?

Madam Deputy Speaker (Dawn Primarolo): The hon. Gentleman knows, I think, that it is not within my power to undertake such things, but I think the Secretary of State wishes to raise a point further to that point of order.

The Secretary of State for Education (Michael Gove): Further to that point of order, Madam Deputy Speaker. Thank you, first, for the gracious way in which you acknowledged that my memory, although it may be capacious, cannot remember everything. But on this occasion, I do remember. The opinion poll concerned was a YouGov opinion poll conducted between the 19 and 20 January, which showed that 44% of people aged 18 to 24 were opposed to the abolition of the education maintenance allowance, and 45% of people in that age group supported the abolition of EMA, which meant that there was a one-point lead for the Government position. Coincidentally, that is the lead that the Conservatives enjoy over Labour in the latest post-Budget opinion poll published in my favourite newspaper, *The Guardian*.

Madam Deputy Speaker: I am grateful, Secretary of State, but we are talking about only the one opinion poll.

Kerry McCarthy (Bristol East) (Lab): On a point of order, Madam Deputy Speaker. The Government are required by law to publish their child poverty strategy by the end of March. After the issue was raised in

business questions on Thursday, I gather that there was a flurry of activity by civil servants phoning round various child poverty charities, telling them that it would be published on 5 April, the day the House goes into recess. Do we have any power to compel one of the relevant Ministers to come to the House to explain to us why the Government are not complying with the law and publishing the strategy by the end of March?

Madam Deputy Speaker: As the hon. Lady will appreciate, that is not strictly a point of order for the Chair, but I am sure those on the Treasury Benches heard her comments and will take seriously their obligations to make sure that the report is published.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): On a point of order, Madam Deputy Speaker. On 21 March 14 employees at the Liverpool passport office were dismissed from their permanent posts without notice because of a mistake that the Passport Service had made in their recruitment more than two years ago. Does the Home Secretary have plans to make a statement to the House, both about what happened in the Liverpool passport office and about its implications for passport offices throughout the country?

Madam Deputy Speaker: I have no knowledge of any notification of a statement. I understand that as the passport office is in her constituency, she is very concerned about the issue. May I suggest that she discusses with the Table Office how she might pursue the points that she wishes to have raised on the Floor of the House?

Chris Heaton-Harris (Daventry) (Con): On a point of order, Madam Deputy Speaker. Can you help a number of Labour MPs who signed early-day motion 1146 last year, congratulating UK Uncut? I believe they might want to withdraw their names now and need a bit of advice on how to do that.

Madam Deputy Speaker: Nice try, Mr Heaton-Harris. I do not think we will take that any further forward. I am sure that all Members of the House will consider their position when signing early-day motions.

Protection of Bowling Greens (Development Control)

Motion for leave to bring in a Bill (Standing Order No. 23)

5.49 pm

John Woodcock (Barrow and Furness) (Lab/Co-op): I beg to move,

That leave be given to bring in a Bill to require local planning authorities to ensure that certain criteria are met before planning permission involving the redevelopment of bowling greens can be granted; to introduce a community right to buy for bowling greens in certain circumstances; and for connected purposes.

I am delighted to present this Bill to protect our threatened bowling greens. The House does not talk enough about bowling greens. We wax on about a milliard other sports, but bowling—a sport enjoyed by upwards of 400,000 people—has to my knowledge been debated only once before in the history of Parliament. We have Helen Jackson, the former Member for Sheffield, Hillsborough, to thank for that debate, and I am pleased that her successor is one of the Bill's sponsors.

That lack of forensic debate has perhaps helped to perpetuate the common misconception that bowling is a sport exclusively for older people. Nothing could be further from the truth: there are thousands of young people in the junior and senior leagues up and down the country. Indeed, that is where I started out as a 10-year-old, tentatively gripping my first wood on my local bowling green in Sheffield. It is truly a sport for all ages and abilities, as my record of a solitary doubles trophy in all my years of youthful endeavour can perhaps attest.

However, let us be clear that bowling is what gets many older people out of the house and into the fresh air. It is the sport that keeps them fit and active long into retirement. There is the chance to listen to the gentle knock of wood on wood and there is the sense of anticipation: will my opponent go thumb or finger, and will he have the audacity to call for measures? Above all, there are the enduring social networks that make our greens not only a valuable part of our nation's heritage but an enduring part of community life for so many, be they publicly owned or among the many that remain attached to pub and clubs across the land.

None of us is getting any younger. In fact, the nation is ageing at a formidable rate. The changing demographics should lead to a blossoming of the sport beyond the 400,000 who currently play, but not if the current threat to our dear bowling greens is allowed to pass unchecked. Let me spell out the likely impact of closures. Bowls England estimates that every time a club closes, 40% of its members on average give up the sport for good. In my constituency of Barrow and Furness, there is a sad litany of greens that have closed over recent decades. The Washington and Victoria Park hotels in Barrow have been shut down, despite local outcry. On Walney island we have lost the greens at the Vickerstown Institute and the George pub, both of which were sold for housing development.

I am sorry to inform the House, particularly Government Members, that bowlers at Dalton's Conservative club turned up for practice one September morning the year before last to find that the electricity and water had been turned off in the club house and that the gates to the bowling green had had their locks changed. Those

dastardly tactics were designed forcibly to put the green out of use and so soften it up for redevelopment. Even that skulduggery failed to save the Conservative club, because the entire premises, including the bowling green, are now up for auction. That is a fate that has befallen too many of our pubs and clubs. Faced with severe financial pressure, they opt for a short-term fix that ends up making the problem worse, depriving them at a stroke of loyal and thirsty customers, souring community relations and leaving bowlers without a home turf.

Colleagues across the House have made it clear that the loss of bowling greens is a matter of concern up and down the country. I am grateful for the cross-party support I have received for the Bill, including from the hon. Member for Leeds North West (Greg Mulholland), who chairs the all-party save the pub group, which has rightly recognised that the fate of public houses and their bowling greens are often intertwined—one cannot be sacrificed in the hope of saving the other.

It is no surprise that the draconian cuts being made to local authorities are placing publicly owned greens under threat. That threat extends even to the most famous bowling green of all, Plymouth Hoe, which symbolises the legend surrounding Sir Francis Drake and the armada. There are similar situations in Manchester, Sutton and Birmingham, Edgbaston, and my hon. Friend the Member for Sefton Central (Bill Esterson) has brought to my attention the plight of the threatened club at Duke Street park in Formby.

The British Crown Green Bowling Association points out that bowlers often want simply to be able to stand on their own two feet. They want to know that if the club is handed over to them, they can run and maintain it at their own expense simply if they are helped out with the rent. That is a solution that is being pursued in Barnsley and looked at in many other areas. However, each closure is making it ever clearer that the current planning regulations are simply inadequate for protecting even clubs that are in active and frequent use. The Bill seeks straightforward safeguards to protect our bowlers.

On the face of it, the current planning regulations ought to be pretty strong. They state that a bowling green cannot be built over unless an assessment has shown that it is surplus to requirement, but owners and developers are finding ways around this and clubs are being closed against the express wishes of the sportsmen and women who use them.

The Bill would insist that if a club is registered on a green and matches are being played on it, it cannot be deemed to be surplus to requirement unless there is a specific vote by the bowlers affected. Planning authorities would also be required to take into account the kind of sharp practices that we saw at the Dalton Conservative club. The Bill would also introduce a community right to buy for any bowling green where disposal is agreed. Where a local club is prepared to commit to keeping the green in use, it would be given the opportunity to purchase it on the basis of its market value as a sporting facility, which is often much more affordable than developers are prepared to pay. We should support bowlers who are willing to form co-operatives to preserve their prized assets. This is a field in which Supporters Direct has blazed a trail for other sports. We should set in lights the shining example of the co-op bowling club in Barrow, which has flourished since it took that route to protect its green.

Bowling has long been a sport that has enriched the communities we represent. It is said that in England one is never more than a few miles away from the cry of "jack high". That is one of the many things that has made this country so great. We should endeavour to ensure that that remains the case for centuries to come.

Question put and agreed to.

Ordered.

That John Woodcock, Mr Graham Allen, Luciana Berger, Bill Esterson, Robert Ffello, Cathy Jamieson, Helen Jones, Mark Menzies, Greg Mulholland, Angela Smith, Ms Gisela Stuart and Mr Iain Wright present the Bill.

John Woodcock accordingly presented the Bill.

Bill read the First Time; to be read a Second time on Friday 1 July, and to be printed (Bill 173).

Ways and Means

Budget Resolutions and Economic Situation

AMENDMENT OF THE LAW

Debate resumed (Order, 24 March).

Question again proposed.

(1) That it is expedient to amend the law with respect to the National Debt and the public revenue and to make further provision in connection with finance.

(2) This Resolution does not extend to the making of any amendment with respect to value added tax so as to provide—

- (a) for zero-rating or exempting a supply, acquisition or importation,
- (b) for refunding an amount of tax,
- (c) for any relief, other than a relief that—
 - (i) so far as it is applicable to goods, applies to goods of every description, and
 - (ii) so far as it is applicable to services, applies to services of every description.

6 pm

The Secretary of State for Communities and Local Government (Mr Eric Pickles): It is a great pleasure to resume the debate on the Budget.

Since 1997, year on year, families have waited for that dreaded envelope: the council tax bill. Every year under Labour, it grew, eventually doubling in size, but this year something is different. As the bill hits the doormat, families and pensioners throughout England will find that it has not gone through the roof. It will save families up to £72 on a band D home, because the coalition Government are on the side of ordinary working people. I commend those councils—every single one of them—that have taken up the Government's offer to give their residents a much-needed break, but I am very disappointed that the Opposition have opposed the measure.

In the Commons, the shadow Local Government Minister, the hon. Member for Derby North (Chris Williamson), called the measure a "gimmick". His Lords counterpart last week also opposed it, alleging that the "freeze builds up financial trouble for the future."

Surely that cannot be the Labour party's position, because it is not what Labour councils are saying on the ground.

I have a selection of quotations, and I will read out just three that will help. Sandwell's local authority states:

"The council is very aware of the difficult times local people face, and we don't want to add to their misery".

On the freeze, it states:

"It would be barmy not to do so."

Manchester city council, a local authority that we have heard a lot of recently, states:

"We recognise it has been a very difficult year for some people, and as the UK comes out of recession it is critical we offer all the support we can to Manchester residents... it is great news... that this year we will freeze council tax".

Mr Nick Raynsford (Greenwich and Woolwich) (Lab): Will the right hon. Gentleman give way?

Mr Pickles: In a moment. Let us have the full panoply before we hear from the right hon. Gentleman.

Bob Russell (Colchester) (LD): He's one of the guilty men.

Mr Pickles: Yes.

Bolsover council states that

"we have taken this step to freeze our share of the Council Tax because we do not feel it is fair that these are passed onto you".

I do not recall the right hon. Gentleman freezing the council tax during his time in government, but let us hear from him.

Mr Raynsford: I am sure the right hon. Gentleman will recall, because he has followed local government matters, that the London borough of Greenwich, the authority in the area I am proud to represent, has frozen its council tax for six of the past 10 years—under a Labour Government for five of those six years. Has he forgotten that? Is he not aware of what councils were doing long before he took up his current position?

Mr Pickles: I suppose if a council sits on £130 million of reserves, that is an easy thing to do, but let him recall Hammersmith and Fulham, which, after years of considerable increases, managed not only to freeze the council tax but to cut it in each successive year.

I regret that the Labour party says one thing in the Chamber and another thing to the voters. I am proud to say that we are able to set aside—

Sheila Gilmore (Edinburgh East) (Lab): Will the Secretary of State give way?

Mr Pickles: In a moment.

I am proud to say that we are able to set aside £3 billion to support councils with a freeze on spending, and that is despite the mess that the Labour Government made of our nation's finances. It sounds as though some on the Opposition Benches would like to wash away the past few years and drown out their bitter legacy: record national debt; unsustainable public spending; and a crushing burden on ordinary families.

The Opposition do not like to admit that their Labour Government planned spending cuts of £44 billion by 2015. Labour's cuts were to be front-loaded cuts, with £14 billion of cuts falling this April, and Labour's spending plans would have made bigger cuts to housing, regeneration and local government.

On Saturday, the Leader of the Opposition should have told the crowds the extent of Labour's cuts. That would have been much more convincing, as hon. Friends have said, than comparing himself to Martin Luther King or, more bizarrely, to Emily Pankhurst.

Nadhim Zahawi (Stratford-on-Avon) (Con): Will my right hon. Friend give way?

Mr Pickles: In a moment. I am sure that my hon. Friend would like to hear this point.

Perhaps that omission prompted the right hon. and learned Member for Camberwell and Peckham (Ms Harman) to say today on "The Daily Politics" that

a Labour Government would have employed fewer people in the public sector. I have obtained a transcript of the interview, and the interviewer said:

"Some of the people on that march, some of those people listening to Ed Miliband, would have lost their jobs under a Labour Government. Yes or no?"

The right hon. and learned Lady was wise enough not to give a yes or no answer, and said:

"Well, I think that basically we would see, err yes, fewer people employed in the public sector."

[HON. MEMBERS: "Ah!"] Yes. I think "err yes" neatly covers the point.

Nadhim Zahawi: Does my right hon. Friend not think it bizarre that the Leader of the Opposition chose to compare his party's struggle to that of apartheid?

Mr Pickles: Well, I suppose there comes an occasion, you turn up, there's a lot of people there—and you just start to talk. These things happen, and we should be in a forgiving mood. I mean, anybody can compare themselves to Martin Luther King.

Chris Leslie (Nottingham East) (Lab/Co-op): Who would you compare yourself to?

Mr Pickles: Certainly not to Martin Luther King.

Let us be clear: Communities and Local Government was the unprotected Department under Labour's plans. Unprotected Departments would have received a larger average real-terms cut over four years under Labour than they are under the coalition's deficit reduction plans over the spending period.

Thanks to the £18 billion of savings from our welfare reform programme and the £3 billion of savings from lower debt interest, the coalition is cutting £2 billion less from departmental budgets than the Labour party would have. Labour would have cut local government more, and, without the support for a council tax freeze, the end result would have been soaring council tax.

Sheila Gilmore: Will the right hon. Gentleman give way?

Mr Pickles: I am so sorry. I promised to give way to the hon. Lady.

Sheila Gilmore: Will the Secretary of State consider monitoring what happens to charges where local authorities have imposed the council tax freeze? We have had a council tax freeze in Scotland for four years now, and a 90-year-old constituent of mine has just received a charge for garden aid. It was nil under a Labour council, it became £75 and it is now £200, so she is not that impressed by the council tax freeze.

Mr Pickles: We will certainly look at that, but may I remind the hon. Lady that Labour councils are of the view that it would be "barmy" not to have the freeze, and that the freeze itself is "great news"? She should really get with the programme.

Mr John Redwood (Wokingham) (Con): That is great news on the council tax—fantastic. Will my right hon. Friend confirm that, every year of this Parliament, total spending goes up in cash terms, so, if the public sector can control costs and inflation, the situation need not be nearly as bad as the Opposition say?

Mr Pickles: My right hon. Friend, as always in these matters, is absolutely correct. There is sometimes a fallacy, which the Opposition assume, that a pound cut in grant means a pound cut in services, but there are clearly better ways of doing such things.

Last June's emergency Budget started a rescue mission. It preserved the UK's triple A rating and helped to keep interest rates stable. This Budget shows that we are moving from rescue to far-reaching reform. It is a Budget for a strong and stable economy, marking our progress towards eliminating the structural deficit. It is a Budget for growth, rebalancing the economy away from over-reliance on the public sector towards long-term, sustainable growth based on export and investments. This is a Budget for fairness, lightening the burden on some 23 million taxpayers by lifting the personal income tax allowance.

In the past, there may have been an impression that the people in Whitehall who were responsible for the economy sat in the Treasury or in the Department for Business. Today, every part of Government has a role to play in helping to keep business thriving. I am proud of my Department's reputation as one of the most deregulating Departments in Whitehall. The Communities Department is central to economic activity, and were it not for the cost of sign writers and stationery, I would rename it the Department for Communities, Growth and Local Government. Over the course of the past 10 months, we have cut the red tape on councils; called time on the Audit Commission's clipboard inspectors; unravelled Labour's home information packs; scuppered Labour's ports tax; scrapped the Whitehall density targets for housing, which encouraged garden grabbing and a glut of flats; and binned the planning rules that encouraged councils to hike up parking charges in town centres. Today, we are going further still to create the conditions for growth.

James Morris (Halesowen and Rowley Regis) (Con): The Secretary of State talked about rebalancing the economy. One of the most shocking statistics that the Chancellor quoted in his address was that in the west midlands, during a time of growth, we saw a 3% decline in private sector jobs growth. In areas such as the black country, it is absolutely essential that we deregulate and find as many opportunities as possible to drive entrepreneurship, small business and economic growth.

Mr Pickles: My hon. Friend makes a very reasonable point. Part of the problem is that we are now having to rebalance the economy.

Last week's Budget was driven by an absolute certainty held by Conservative Members—that Governments can print money but only businesses can make money. We do not succeed as an economy by giving bean counters the whip hand over wealth creators. Governments need to listen to entrepreneurs about how to unlock growth.

I do not want to be terribly unpleasant about the regional development agencies, but perhaps I should on just this one occasion. They were fantastic at passing public grants from one part of the public sector to another, but very poor at creating private sector jobs and sustainable growth. After a decade of regional development agencies—my hon. Friend the Member for Halesowen and Rowley Regis (James Morris) gave figures for the midlands—the public sector still accounts

for more than a quarter of jobs in the north-east, compared with less than a fifth in the south-east of England, and the number of private sector jobs grew half as fast in the north-east as the national average between 2003 and 2008.

Claire Perry (Devizes) (Con): The Secretary of State said that we should have fewer bean counters and more wealth creators. Would not a few bean counters not have come amiss under the previous Government, who spent £135,000 on luxury Parisian sofas for the Department, partly under the stewardship of the right hon. Member for Don Valley (Caroline Flint)?

Mr Pickles: It is indeed true that we are a well-upholstered Department.

Charlie Elphicke (Dover) (Con): Is not the key difference that instead of quangos such as the RDAs running amok across the country doing nothing, we will see enterprise zones and pro-business, pro-growth planning policies that will get the country going again properly?

Mr Pickles: My hon. Friend is absolutely correct—so much so that I am delighted to tell him that I will refer to that in a few moments.

The regional bureaucratic approach is not only costly but does not do the job it is supposed to do. Instead, we want to see business men and business women playing a leading role in the debate about their local economy, helping all parts of the country to live up to their full economic potential.

More than 90% of people in England now live in areas with local enterprise partnerships. These partnerships are a new approach to economic development, putting local councils, local communities and local business in the driving seat. The partnerships established so far have already set out plans that are high on ambition and low on bureaucracy—plans to attract investment, boost tourism and strengthen transport links. Local enterprise partnerships are going for growth, not handing out grants. The 21 new enterprise zones are an opportunity for leading partnerships to take their work to a new level. In exchange, we will let them keep all business rate growth in their zones for at least 25 years.

Businesses in the enterprise zones will benefit from a discount of up to 100% on rates and access to superfast broadband. We will work closely with local partners to make sure that the zones do not simply displace jobs and business. For example, the Boots campus in Nottingham will be a centre for science and medical research and innovation, the Manchester airport zone will be ideally placed to make the most of the local science and engineering expertise and international transport links, and Liverpool Waters will keep up the momentum of economic growth in that resurgent English city.

It is not just enterprise zones that are being helped: the Budget extends the doubling of small business rate relief for a second year. This will help small firms and small shops across the country, given that business rates are the third biggest outgoing for firms after staff and rents.

Mr Jim Cunningham (Coventry South) (Lab): Can the Secretary of State say whether Coventry is going to be part of these enterprise zones, and if not, can he give me the reason why?

Mr Pickles: It is very important to understand that the enterprise zones will be allotted on the basis of innovation and ideas, not on the basis of Buggins' turn. Having seen some of the industry leaders in the Coventry area, I am confident that their innovation and skills will make them a high priority in obtaining these zones; after all, Coventry and Warwickshire is one of the leading local enterprise partnerships in the country.

David Wright (Telford) (Lab): The right hon. Gentleman will know that several new towns still have areas of land that are, in essence, controlled by Government. Would he be willing to put some of those land holdings into the pot if local enterprise partnerships come up with schemes to promote growth in their areas?

Mr Pickles: It is certainly our intention to release an awful lot of Government land.

Kerry McCarthy (Bristol East) (Lab): The right hon. Gentleman mentioned three cities having local enterprise zones, but he did not mention Bristol, although that was one of the 12 listed in the Budget. It is somewhat surprising that the Secretary of State for Business, Innovation and Skills was in Bristol on Friday but did not, as far as I am aware, tell us where the local enterprise zone is going to be. Can the right hon. Gentleman enlighten me?

Mr Pickles: This is a very clear example of the difference between how we do business and how the Opposition did business. We are not going to tell the people of Bristol where the enterprise zones will go—they are going to tell us.

Helen Goodman (Bishop Auckland) (Lab): There is confusion in the north-east because what the Chancellor said in his speech about enterprise zones—that there will be one in Tyneside—was not the same as what the Budget documents said: namely, there will be one in the north-east. There is an enterprise zone on Teesside, but the geography of the other one in the north-east is not clear. Does the Secretary of State have any insight on that?

Mr Pickles: There is one in Teesside and an additional one within the northern area. In truth, it is up to the local enterprise partnerships to put the thing together. *[Interruption.]* The hon. Lady wants to control everything from here, but I have to say that she was not very successful in doing so. What is wrong with an approach in which rather than us down here in Whitehall telling the people of the north-east what to do, the people of the north-east tell us how they will do things?

We are taking measures to help get the house building industry firing on all cylinders. Every new home supports four jobs in house building and two more in related industries. The availability of new homes helps people move around the country for work. Getting the housing industry moving again is key to restoring growth. Under the new Government, house building starts are up 23% and construction orders for new private housing are up 50% compared with Labour's last year. But we need to go much further. There are about 200,000 granted planning permissions out there in the country, but the homes are not being built.

The answer is not targets; it is addressing the root causes. First, there is a tight mortgage market, so we will introduce a new form of support that will help

first-time buyers get a foot on the ladder: a 20% equity loan, co-funded by Government and developers. That will put ownership within the grasp of 10,000 first-time buyers. We will reform the stamp duty land tax rules on bulk purchases of new homes to boost equity investment. We will help to reduce the sector's reliance on mortgage funding.

Secondly, there is the problem that elements of the planning system are holding up the building of new homes. Let us go back to the 200,000 granted planning permissions. It is fair for councils to agree a contribution to the area where developers are planning to build to ensure that the development is sustainable, perhaps by providing a new park or playground, or by paying for road widening. However, what looked like a reasonable request three or four years ago may no longer look quite so reasonable if it stops necessary development happening altogether. If those commitments make it simply too expensive to build, we need to be realistic. Councils should not compromise on the essentials to make a development acceptable to the local area, but unrealistic agreements negotiated in the boom times should be reviewed to help new developments move forward quickly.

Steve Rotherham (Liverpool, Walton) (Lab): I am grateful that the Secretary of State mentioned Liverpool, but what is happening with Liverpool Waters is nothing to do with his Government. I read a statement that said, "Pickles was always happy and obedient, and would often roll over and have his tummy tickled." Although the statement was about the dog called Pickles who found the World cup in 1966, does it not describe exactly what he did when negotiating his Department's budget?

Mr Pickles: I suspect that when the hon. Gentleman was putting that question together in front of his shaving mirror, it seemed more of a tummy tickler than it actually was.

Chris Bryant (Rhondda) (Lab): One of the big issues in many former mining constituencies is that a large proportion of people live in their own homes, but there is no work in the area any more. People do not want to make the decision to move to a place where there is work, but where they cannot afford the price of homes. How does the Secretary of State propose to get round that vicious circle, in which many people in my constituency and in the constituencies of many Opposition Members are stuck?

Mr Pickles: The hon. Gentleman will know that we have just put £30 million into the former coal homes area.

Chris Bryant: The former coal homes?

Mr Pickles: Into the former colliery areas. That £30 million is more than the hon. Gentleman's party had put in. We will certainly do our best to ensure that there is sustainable development in that area.

Dame Anne Begg (Aberdeen South) (Lab): Has the Secretary of State had discussions with the Department for Work and Pensions on the reforms to housing benefit, under which it will become impossible for someone who is under-occupying their house to get full housing

benefit for that house? He talks about building new homes, but what proportion of them will be one-bedroom homes, because a large number of people who will be looking for property under the new housing benefit rules will be looking for such homes?

Mr Pickles: The hon. Lady will be aware that we have abolished the density targets, which led to a glut of flats. We will ensure that the market decides a reasonable mix. That seems to be a more sensible and reasonable way of going about the process.

For too long, the planning system has been a source of friction between councils, communities and businesses.

Dr Alan Whitehead (Southampton, Test) (Lab): Will the Secretary of State give way?

Mr Pickles: In a moment. The purpose of the planning system is to ensure that the country benefits from the right kind of development—not to frustrate and delay, and generate endless paperwork. The Budget therefore confirms fundamental changes. By the end of the year, we aim to condense the morass of unwieldy national planning policies into one concise, easy-to-use document.

At the heart of our approach to planning is a presumption in favour of sustainable development. We need a system that consistently and predictably says yes to the right kinds of development. We will consult on plans to streamline the information required to support planning applications. We will introduce a planning guarantee so that no planning application will spend more than 12 months with decision makers, when a timely appeal is made. We will consult on proposals to bring empty commercial buildings back into use as residential properties. Let us cut the red tape and make it easier to turn run-down old eyesores into much-needed new housing. At the same time, we will maintain protection for the environment, including, by safeguarding the green belt, which was under threat from Labour's regional plans.

Dr Whitehead rose—

Bob Russell: Will my right hon. Friend give way?

Mr Pickles: I will give way to my hon. Friend, and then to the hon. Gentleman.

Bob Russell: Will my right hon. Friend confirm that the third and sixth paragraphs of chapter 4 of the coalition's programme for Government on communities and local government will form part of the planning legislation? I believe that they will, but I would like that to be put on the record.

Mr Pickles: The coalition agreement is not quite holy writ, but it is pretty close to it, so of course those paragraphs will be included.

I apologise to the hon. Member for Southampton, Test (Dr Whitehead) for not giving way earlier.

Dr Whitehead: Does the Secretary of State consider that his abandonment of the code for sustainable development and the target for zero-carbon home building by 2016 will aid sustainable development, build more houses or merely build less worse houses?

Mr Pickles: The hon. Gentleman is entirely wrong. We have included zero-carbon homes, and that will take effect from 2016. *[Interruption.]* We most certainly have done that.

Mr Clive Betts (Sheffield South East) (Lab): I ask the Secretary of State to look at paragraph 2.12 of "The Plan for Growth", which states that where an authority does not have a development plan or where such a plan is not up to date, there will be a presumption that an application "will be accepted". That sentence does not mention sustainability, but just that such applications will be accepted. Does that mean that where there is an up-to-date plan, a developer will have less chance of getting an application through than in an authority without a current local development framework that is still operating on a unitary development plan? In other words, will there be a two-tier and differential planning system in this country, which we have never had before?

Mr Pickles: The local plan will have to reflect the presumption as well. It will be reflected in the national planning framework, which in turn will be reflected in the local plan. If a plan is ambiguous or out of date, that presumption will take effect, but there might be an existing plan that conforms to the presumption in favour of sustainable development. Members will now understand why planning is such fun.

Our planning reforms, like the new roles for local councils and entrepreneurs, are there to drive growth, just like the council tax freeze for hard-working families. They show that localism and economic growth go hand in hand. Those who think that the key to getting Britain growing again is for Whitehall to seize control should learn the lesson of history, which is that it repeats itself because no one was listening the first time round.

Let us compare two years, 1924 and 2009. There are many parallels. In 1924, Lenin is dead and Stalin is planning to take absolute power; John Logie Baird is demonstrating a prototype of his latest invention, the television; in New York, theatre audiences are getting their first sight of a dance called the Charleston—*[Hon. MEMBERS: "Charleston!"]* Charleston. I do beg your pardon. Also, house building in the UK reaches an all-time low.

Chris Bryant: Will the Secretary of State give way?

Mr Pickles: No.

In 2009, pleasingly, Lenin is still dead and the Soviet Union is no more; multi-channel TV is available in most homes; and "Strictly Come Dancing" becomes almost compulsory viewing. What is Labour's contribution to this wave of nostalgia for the roaring twenties? A dance revival such as bringing back the Black Bottom? Introducing a flapper to speak from the Dispatch Box? No, a record fall in the number of new builds. The Labour party rails against the system and the machine, ups its target and achieves absolutely nothing. That is what central control brought us—growth constraint, innovations stifled and an economy needlessly held back. This is a positive Budget, a Budget for stability, balanced growth and above all fairness, and I commend it to the House.

6.32 pm

Caroline Flint (Don Valley) (Lab): I begin by saying that the violence of a handful of anarchists and attention seekers at the weekend was an absolute disgrace, and I hope that prosecutions will follow. However, I have to add that none of their yobbish and illegal behaviour could detract from the biggest demonstration of British feeling for eight years. People wanted to tell the Government that their cuts are going too far and too fast, and that their lack of plans for jobs and growth just make the pain worse.

Bob Russell: Will the right hon. Lady give way?

Caroline Flint: I will shortly, but I want to make a little progress.

What the Secretary of State's rhetoric today has revealed is that the Government have no plans for jobs or growth and no plans for the future. If he wants to talk about the economy that they inherited, let me tell him a thing or two about the legacy that we left. They inherited an economy in which growth had returned, inflation was low, unemployment was falling and borrowing was lower than forecast. I am proud to say that Labour increased funding for local authorities, built or refurbished 4,000 schools and 100 new hospitals and left the nation's public housing stock in better shape than it had been in during our lifetime. If the Secretary of State got out of his office a little more often, he would see that Britain's major towns and cities had been substantially regenerated.

Even when the worst recession in our lifetime was visited upon our country, bringing half the banks in the UK and Europe to their knees, we still had fewer repossessions, fewer business collapses and a lower rise in unemployment than during the Tory recession of the 1990s. Today we have an economy that is not growing at all and in which inflation is up to 4.4%, unemployment is at a 17-year high and borrowing will be higher this year, next year and in every year for the next five.

Bob Russell: I am glad that my intervention was delayed, because I had not recognised the utopia that the right hon. Lady has just described. Does she accept that the last Government had any responsibility for the financial situation that the UK is now in?

Caroline Flint: We were part of a global crisis that affected countries around Europe and the world, but it is interesting that before the international crisis hit, we had the second lowest debt of any G7 country. We had brought overall public sector net borrowing down, and the now Prime Minister and Chancellor committed themselves to Labour's spending plans. In 13 years, we created 1.1 million enterprises, and in the past two years, which included our last year in government, the World Bank ranked the UK fourth in the world and first among European countries for the ease of doing business.

Chris Bryant: I am particularly glad that my right hon. Friend has reminded that lot over there on the Tory Benches that they fully supported Labour's spending plans up until the end of 2008 and promised to spend the additional benefits of growth on the economy, which they never seem to remember. That lot on the Liberal Democrat Benches, when they were sitting over

here on the Opposition Benches, urged even greater levels of spending, so we are not going to take any hypocrisy from them.

In addition, will my right hon. Friend remind that lot over there of one further piece of history? In 1924, George Lansbury—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. You have to be much shorter, Mr Bryant.

Caroline Flint: If my hon. Friend was going to point out that when we go into recession we have to ensure that we do not go into a depression, that is exactly what the Labour Government did. Things may look rosy from the leather seats of the Secretary of State's new Government Jag, but for ordinary people, the Government's plans are hurting but they are not working.

Mr Pickles: Mine is a second-hand ex-Labour Jag.

If the Labour Government were doing such a good job, why did the right hon. Lady resign?

Caroline Flint: For goodness' sake. I have always put on record my pride in what the Labour Government did to ensure that this country recovered from 18 years of Tory rule. Whatever my disagreements with them, I will never take that away from any of our leaders of the past 13 years.

This Budget has offered more of the same. The Government claimed that it was a Budget for growth, but we got nothing of the sort. Only a few weeks ago, the Chancellor told us that it would be an "unashamedly pro-growth Budget", as though economic growth was something that he would normally be embarrassed about. What the Government should really be embarrassed about is that as a direct result of their policies, the Office for Budget Responsibility has downgraded its growth forecast not once but twice. Now we know that growth was down last year and will be down this year and next year. The only things that are growing at the moment are the prices in the shops and the number of people out of work.

Nadhim Zahawi: Let's try again. Does the right hon. Lady think that, in the court of public opinion, people blame Labour for the economic mess that we are in?

Caroline Flint: I think we are doing quite well in by-elections, but I do not take the public for granted, and I know that they believe the deficit should be tackled. That is quite right, and I absolutely agree. However, as every day goes past and people see the choices that the Government are making, they say that they are going too far and too fast. That was expressed on Saturday, and it will be expressed on 5 May.

Claire Perry: Does the right hon. Lady share the opinion of her esteemed colleague, the very sensible right hon. Member for Salford and Eccles (Hazel Blears), who recently said that Labour could be much more "explicit about where we had plans to cut...The public...are worried that we haven't been as clear as we ought to be."

Caroline Flint: I will come later to the position that Labour put before the electorate at the general election, which we stand by today.

Nadhim Zahawi rose—

Caroline Flint: I have already given way to the hon. Gentleman, so I am going to make some progress.

I turn to some of the measures announced in the Government's plan for growth. I think we would all agree that the planning system shapes the places where people live and gives character to our communities. It helps us to protect our natural and historic environment, and it should ensure that everyone has access to green space and unspoiled countryside. It is crucial for growth, because it supports economic development, helps to create jobs and contributes to our prosperity as a nation. I have never shied away from the fact that we as a country need to build more homes, and that our planning system has to support that. When the Government were elected, they promised bold, radical reform of the planning system that would speed it up, reduce bureaucracy and support growth. Let us look at what has happened.

Following the Government's chaotic and botched reforms to the planning system, there has been a dramatic fall in the number of planning permissions for new homes, which are now at a near-record low. The figure for the third quarter of 2010 was the second lowest seen in the past 19 quarters, and in the last quarter of 2010, new planning permissions were down 22% on the previous year. It is no good the Government blaming the previous one, because things have got worse and not better since they came to power. The biggest drop of all came just after the last general election. In the first quarter of 2010, before the election, more than 40,000 planning permissions were granted to developers for new homes, but by the third quarter, after the election, that had fallen to just 30,000.

The Chancellor sought to address that last week, but I am afraid that in doing so, he sounded the death knell of localism. I offer my condolences to the Communities and Local Government Secretary for the demise of localism, because after months of the Government pledging power to the people—neighbourhood plans, communities in the driving seat and so on—the Chancellor blew localism out of the water in a single sentence. He said that

“from today, we will expect all bodies involved in planning...to prioritise growth and jobs, and we will introduce a new presumption in favour of sustainable development, so that the default answer to development is yes.”—[*Official Report*, 23 March 2011; Vol. 525, c. 956.]

I cannot recall cheers from Government Members when that was said. While the Secretary of State trumpets devolving power to local people and promises to give them a real say in the development of their area, the Chancellor wants to make it easier for developers to bypass the planning system altogether. They cannot both be right, which reinforces the confusion that has paralysed the planning system in the past 10 months.

Annette Brooke (Mid Dorset and North Poole) (LD): Did the right hon. Lady support regional spatial strategies, which imposed on my constituents a brand-new town on green belt that was not supported by any democratically elected person? Does she prefer that to the Government policy that she describes?

Caroline Flint: I am afraid that if the Chancellor gets his way, nobody will be consulted.

No community can thrive if the system is biased against change. Every community must look to create new homes, workplaces and jobs. A planning system that is devoid of obligations to provide for the future and that just protects the present is destined to fail, but a fair and open planning system that involves local people, and that leads to better decision making and greater consensus on development, is important. Although the Government promise to give local people more of a say, their policies do exactly the opposite. Ten months in, their record on planning is one of incompetence and broken promises. Government Members who represent our green and pleasant land must be in mourning, for although existing controls on green belt will be retained, the Chancellor made it very clear that the Government “will remove the nationally imposed targets on the use of previously developed land.”—[*Official Report*, 23 March 2011; Vol. 525, c. 956.]

Forgive me for putting that in plain English. More developers will be given a yes, but as there will be no obligation to develop brownfield sites, by definition, more greenfields will be developed. I do not hear any cheers from Government Members for that one.

We can add to the chaos in the planning system the fact that plans for more than 200,000 new homes have been dropped. Under Labour, more than 2 million more homes were built in England, including 500,000 affordable homes; 1.5 million social homes were brought up to a decent standard; 700,000 new kitchens, 525,000 new bathrooms and more than 1 million new central heating systems were installed; 1 million more families were able to buy their own homes; help was provided to more than 130,000 first-time buyers through shared-ownership schemes or equity loans; and even in the teeth of the recession, the previous Government were building 55,000 new affordable homes, which is more than this Government will build in any of the next four years.

Charlie Elphicke: On a non-partisan basis, I caution the right hon. Lady against many of those numbers, because many of them apply to flats, which are quick and easy to build, but which left us with a shortage of family housing.

Caroline Flint: They still had people living in them. The hon. Gentleman should come to the constituencies of Labour Members to see the investment in social homes, and the partnerships that were developed with the private sector to ensure that we had social homes alongside private developments. The previous Government were putting an end to the division whereby social homes were in one part of the community and private homes were built in another. That is the Labour way, and I am very proud of it.

Andrew Bridgen (North West Leicestershire) (Con): The story the right hon. Lady tells is not one that I recognise in my constituency, which had the worst quality council housing in the whole country. Seventy per cent. of our housing was not up to the decent homes standard, and it has taken a Conservative-led coalition Government to deliver the £21 million to bring them up to standard over the next four years.

Caroline Flint: People throughout the country benefited from the decent homes programme and other housing initiatives that helped them to get on to the property

[Caroline Flint]

ladder and to ensure that they had choices. In the first six months of 2010, before the election, the number of new homes built went up by more than 20%, but in the last six months of 2010, after the election, the number of new homes started fell by nearly 20%. If the Secretary of State wants that debate, I am always happy to have it with him—or with any of his colleagues.

The country wants to know what the Secretary of State and his Government will do to help to build the homes for which communities up and down the country are crying out. Whatever he pretends, the reality is that the Budget brings very little good news. It promises help for first-time buyers. The Opposition welcome the Government's U-turn—their decision to bring back Labour's homebuy scheme, which they insist on calling "Firstbuy"—but less than a year ago, the Minister for Housing and Local Government described that policy as an "expensive flop". That was not what thousands of first-time buyers thought about it or what the housing industry made of it. The Home Builders Federation said that it

"was judged a major success by the industry".

Only a matter of months later, with his customary humility, the Minister has been forced to admit that he called it wrong. We have wasted 10 months in which we could have ensured that people had a better opportunity to own their own homes. He has done too little, too late, and the measure does not go far enough, because while more than 3 million hopeful first-time buyers try to get a foot on the property ladder, the measure helps only 10,000 of them.

No one is convinced that the new homes bonus is the panacea to the housing crisis that the Government believe it to be, least of all the 21 Tory council leaders from the south-east who wrote to them earlier this year warning that they were not convinced that the plan provides enough of an incentive to communities for them to welcome development. The Budget was crying out for measures to support housing, but they did not happen. All it comes up with is the idea of allowing commercial properties to be turned into homes without requiring planning permission. When the Government get around to establishing exactly which sort of commercial properties will be allowed to turn into residential properties and under what conditions, we will look at their proposals carefully, but if the Secretary of State really believes that the answer to the country's housing crisis is turning some empty offices into luxury penthouses, or asking people to live in disused out-of-town business parks or derelict industrial estates, he had better think again.

The biggest disappointment is the failure to address the deeper problems of housing supply and the lack of available mortgages. In their submission on the Budget, the Home Builders Federation is absolutely clear that mortgage availability

"is the biggest immediate constraint on demand and house building."

Figures from the Council of Mortgage Lenders published as recently as 18 March show that mortgage lending has stalled. It says that lending is

"weaker than a year ago"

and that the housing market is "stuck in a rut", but on that, the Budget is silent.

Before we move on from housing, let us remind ourselves of another matter on which the Government have not lived up to their promises. Just a few weeks ago, the Minister for Housing and Local Government told the Zero Carbon Hub annual conference:

"The commitment to Zero Carbon remains in place—there's no ambiguity about that",

but when reading the small print of the Budget, we discover that that is just another broken promise, because from 2016, new homes will no longer have to source all their energy from carbon-neutral sources, which goes back on a commitment that the Conservatives made in opposition and repeated in government. Those standards were about not only protecting our environment, but driving innovation and creating new jobs in the green economy. The Government's failure on that undermines not only their green credentials, but the ability of our economy to compete for new jobs, new investment and new industries.

Let me deal with the underlying economic nonsense at the heart of Government policy. They hope that the UK economy will be saved by an export-led recovery, which I call Osborne's see-saw, because the Chancellor views the public and private sectors as opposite ends of a see-saw. He thinks that the harder, deeper and faster he cuts the public sector, the sooner the private sector grows to fill the space and suck up the unemployment. One does not have to be an economist to know that there is no reason why cutting home helps, police officers and council cleaners will lead to the UK selling more electrical equipment, cars or IT services abroad. However, I do know that if we cut public investment in roads, regeneration and house building, and shred the school building programme, the private sector takes a huge hit. The construction industry nose-dives and hundreds of thousands of skilled workers and those who manufacture and supply to them lose their jobs.

George Freeman (Mid Norfolk) (Con): Has the right hon. Lady noticed the International Monetary Fund's recent figures showing that Britain is running interest rates 3% lower than those in countries with similar deficits to us? Is that not a fundamental result of our programme for the deficit?

Caroline Flint: I notice that the economies of the USA, France and Germany grew in the last quarter of 2010, but that of Britain shrank by 0.6%, and that the German and US economies are forecast to grow more strongly.

This is the first ever Budget for growth to downgrade its own growth forecast, yet the Government's answer is not to continue Labour's plan to manage the deficit reduction, but to go faster and further and hammer public spending harder. Then they blame everyone but themselves when growth forecasts fall and when Government borrowing rises. Hundreds of thousands of people tried to tell the Government on Saturday that it is hurting but not working, and they are just not listening. For this Government, giving a tax cut to the banks was more important than supporting the construction industry, keeping people in work or building new homes.

The Budget shows above all else how out of touch the Government are. With more people out of work, inflation rising and people facing the biggest squeeze on their

living standards in a generation, we hear the Secretary of State make much of this year's council tax freeze, which every Labour council has implemented, despite receiving much steeper cuts than Tory and Liberal Democrat councils in far wealthier parts of the country. However, with the Deputy Prime Minister busily coming up with a thousand and one new taxes and the Business Secretary desperately trying to resurrect the idea of his mansions tax, it remains to be seen whether the Secretary of State will be able to say the same next year.

A council tax freeze helps only so much. It is a £72 saving versus a VAT increase that will cost a family £450 extra this year, and it is coming at a time when families are losing tax credits and facing a freeze in their child benefit, when pensioners are seeing winter fuel payments cut, and when the Government's cuts are undermining our recovery and costing people their livelihoods. They give with one hand but take with many more from the communities that we represent.

Mr Edward Timpson (Crewe and Nantwich) (Con): The right hon. Lady will be aware that the Darling plan commits her party to £14 billion of cuts, beginning in a few weeks, which is only £2 billion less than the Government are committed to. Will she tell us where those cuts would fall under her party's Government?

Caroline Flint: It is amazing how Conservative MPs are picky about which part of our budget they want to suggest would go different ways. On the one hand, the hon. Gentleman claims that the difference between our budget and theirs is £2 billion, and on the other hand, the Chancellor boasted in the previous Budget that there was a £40 billion difference between our plan to halve the deficit over four years and his plan to eliminate it entirely. They cannot have it both ways. We need a Budget for growth, and a few facts tell us all we need to know.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): Government Members have mentioned export-led recovery. Only last week, in the Budget debate, the right hon. Member for Wokingham (Mr Redwood) warned the Front-Bench team that such an export-led recovery will peter out very soon and for the next two years, as credit contracts in China, India and Brazil, among other countries. However, does my right hon. Friend agree that at the heart of the Budget and the growth strategy lies the privatisation of the Royal Mail, the privatisation of the NHS and the attempted privatisation of the forests?

Caroline Flint: They have already U-turned on the forests; let us see how much they respond to the elections in a month when the people of this country will make it loud and clear what they think of the past 10 months. The sad thing is that we have had to wait 10 months for a so-called plan for growth. In those 10 months, we have seen unemployment and borrowing rise and growth fall. That does not bode well for anybody in the country, be they those with families, those in the public or private sectors, those with a business trying to grow or those trying to start up a business.

Nic Dakin (Scunthorpe) (Lab): Does my right hon. Friend not agree that what we need in order to promote growth is demand in the economy? However, with public

spending being cut and people losing their jobs, which will cut private spending, where will the demand come from to fuel private sector growth?

Caroline Flint: My hon. Friend makes a very good point. I could not make it better myself.

The fact is that this is not a Budget for growth. We have the highest unemployment rate in nearly two decades, with nearly 1 million young people out of work and inflation spiralling out of control. Even Moody's credit rating agency, which all of us have heard so much about from Government Members, are warning that our triple A credit rating could be at risk. What is the price of this failure? It will be another £43.4 billion in borrowing. Yet all the Government can come up with is more of the same: the same old excuses; the same failed policies; and the same old stories from the same old Tories.

No number of excuses can hide the fact that the Government have cut too far and too fast, hitting jobs and growth, and putting our recovery at risk. However, there is an alternative. We could get our country's finances back on track by halving the deficit in four years; we could give families and businesses real help by scrapping the VAT increase on fuel; we could repeat last year's tax on bankers' bonuses, and invest the money in building 25,000 new homes and getting 90,000 young people into work; and we could boost the regional growth fund by £200 million.

With the Government's first major elections just weeks away, this Budget sets out a very clear choice: between Labour, which will do everything it can to protect jobs and the services people rely on, and this Tory-led Government imposing cuts with barely disguised relish; between Labour, which knows that there are difficult decisions to be made, but will make them in a way that is fair and open, and the broken promises and underhand tactics of the Tories and the Liberal Democrats; between Labour, which will support people into work and get our economy back on track, and a Government who are taking a reckless gamble with the economy—that is hurting but not working. In one month's time, people up and down the country will have their chance to send the Government a very clear message—and their voices will be heard.

Several hon. Members rose—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I remind Members that speeches are limited to six minutes, although I might look to reduce that to four. A huge number of Members wish to speak, and there is a lot of pressure today and tomorrow, so we might have to reduce the limit to four minutes.

6.56 pm

Nicholas Soames (Mid Sussex) (Con): I draw the House's attention to my entry in the register.

I warmly welcome the Budget and my right hon. Friend the Chancellor's broad judgment of the economy. I particularly commend him for sticking to the plans he had outlined earlier, so that—painful though it may be, and mindful, as we must be, of the difficulties—we can deal properly and speedily with the appalling state of the economy bequeathed to the Government by their thoroughly irresponsible predecessors. Measures are now firmly in place to repair the economy, to ameliorate the gross waste of public money, to pay down the deficit

[Nicholas Soames]

and to put in place the architecture for a growing and expanding enterprise economy, with all the opportunities for jobs, increased competitiveness, substantial improvement in the effectiveness of essential and greatly valued public services and support for wealth creation.

Clearly major challenges and difficulties lie ahead, but the Chancellor has set out a clear vision for growth, with the aim of creating in the United Kingdom the world-class businesses of the future, of all sizes and in all activities, and consolidating a way ahead for all our industries and commerce. I was taken today with a letter in the press from some of Britain's most successful business men that said that the steps taken

"will be a massive boost for start-ups, and will help entrepreneurs to secure finance to get their ideas off the ground."

That is just so. It is exactly what is required.

Of course, I welcome the announcement on apprenticeships, but as I have made consistently clear to Ministers on many occasions, all the good will in the world cannot replace the over-bureaucratic burden currently in place that often makes it difficult to take on apprentices. If these targets are to be achieved, the process must be made a great deal easier. These are matters with which the Department concerned must deal with great vigour. The opportunities to expand the skills of our young work force are real and vital, and I hear from businesses on all sides their desire to get on with this matter in a speedier manner. To this end, I strongly urge my right hon. Friend to pay careful attention to the views of Professor Alison Wolf, who has developed some very good ideas on these matters, and the excellent work done by my right hon. Friend Lord Baker of Dorking.

I welcome the steps taken on deregulation, and I was pleased to see that the Government's earlier work has been built on in the Budget in a number of areas. However, those steps are nowhere near good enough yet, and progress across Whitehall is extremely patchy. For my part, I believe that greater authority and impetus should be given to the war on unnecessary, debilitating and grinding red tape, which holds back so many of our businesses and infuriates so many of our best people, who have great ambitions that they cannot fulfil because of the burden that the state places on enterprise.

Helen Goodman: Will the hon. Gentleman give way?

Nicholas Soames: No, I am very sorry; I am afraid that I cannot.

I call on the Chancellor and the Prime Minister to bring back Lord Young, who understands such matters well, knows the grislier ways of Whitehall and is ideally qualified to lead a tough, cross-departmental effort to enforce the measures needed to reduce onerous administrative burdens, particularly on our small and medium-sized businesses. I know that many Ministers are aware of the importance of doing that, but from the Back Benches making progress often feels like wading through very deep mud. The sometimes apparent weakness of the civil service, judicial activism, thickets of regulation, and an infantilised and often financially illiterate press can all make it impossible to progress. The Government need to make a big effort to move on the issue.

On taxation I need say only this. A more competitive, simpler and more stable tax system will be better for everyone, rich and poor alike. Such a system would also go a long way towards restoring our badly lost international competitiveness, to which the last Government did such terrible damage.

Finally, let me briefly say a word about banks and the language of relentless negativity that is doing great harm to the City of London, which is one of the greatest assets that this country has. That language—particularly of the Opposition, but also of much of the press—is self-defeating, illiterate and often infantile. It needs to stop, and the debate needs to grow up. Many new jobs in banks headquartered in London are now being located overseas. That is very bad news. The Chancellor has averted a fiscal calamity. I am optimistic about the future of this country, but we face a long, hard slog.

7.2 pm

Mr Ronnie Campbell (Blyth Valley) (Lab): Let me start by saying that I did not recognise the Secretary of State's position. In my county of Northumberland, we have just cut £44 million, with more to be cut next year and hundreds of people sacked throughout the United Kingdom, and we have cut services—or, if we have not cut them, we have charged people for them. Unfortunately, he never mentioned that, so I thought that I would put that one to right.

Let me talk about the enterprise zones. We have seen them in the north-east, where we had them last time, under Thatcher—they were called "Thatcher zones". Although they were partially successful, they were not all successful. I would say that, at a good guess, most of them stood empty. They were not filled by anyone—in fact, anyone who went around the north Tyneside and Newcastle area today would find that a lot of the buildings are still empty.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): Is my hon. Friend aware that during the period of the last enterprise zone in Newcastle, there was a jobs increase of only 0.7%, whereas in eight years of the last Labour Government, there was an increase of 18%?

Mr Campbell: Of course that is right, and that is part of my point. I would like the zones to be targeted in unemployment blackspots, which we have in the north-east. Unfortunately for Blyth Valley and Wansbeck—my hon. Friend the Member for Wansbeck (Ian Lavery) is not here—those zones did not come into our areas. If they are going to be in Tyneside, we have to get the people from our area into Tyneside, but the only transport we have is buses and people's private cars—we have a rail link, but we do not have a train on it. If we target those blackspots, the enterprise zones might see some success.

Let me turn quickly to what I have heard since this Government came to power about how the last Government are to blame for the mess we are in. We hear all the time—we have heard it this evening—about the bankers' mess, and that is indeed what I would call it: the bankers' mess. The one thing that we never hear from the Government Benches is any criticism of the banks and the crisis that the bankers put us in. This country was going on wheels until 2008, when the bankers created the crisis. Government Members are not blaming

the last Labour Government for the crisis in America, the crisis in Greece, the crisis in Spain, the crisis in Portugal or the crisis in Ireland. They are not blaming the Labour Government for all that—or would they in fact want to blame them for it?

I will tell the House why Government Members are not blaming the bankers: because since the Prime Minister was selected as a candidate for the leadership of the Tory party, the City has put £42 million into the Tory coffers to fight elections. That is why we do not hear anything from the Government side about the banks. That is why the banks and the bonuses are allowed to flourish, because the Tories are in the pay of the bankers. Make no mistake about it: that is a fact. The fact is that the Conservatives are in their pockets, and the banks are in their pockets.

Andrew Bridgen rose—

Andrea Leadsom (South Northamptonshire) (Con) rose—

Mr Campbell: No, I am not going to give way; I do not have time.

What happens when the Conservatives are in the pockets of the banks? Where does the bill for the bankers' crisis fall? Yes, you've got it: it falls on the working people of this country. We are seeing that now, with sackings all over the place and wages cut.

Andrea Leadsom: I thank the hon. Gentleman for giving way. Does he recognise the fact that 1 million people in this country are employed by those banks in one way or another, in financial services, accounting for 3.5% of employed people in total? Is he blaming all those individuals?

Mr Campbell: I am blaming the bankers for the way they invested their money in the crisis that they caused. They caused it—they knew what they were doing, and they will all say that. They all came to the Treasury Committee and apologised, if the hon. Lady remembers.

As I was saying, the bill for all this falls squarely on the working people of this country, with the sackings that we have seen and the wage cuts. Wages are 2.2% below the average. That is what they are: they are not above. In fact, we had to take a pay cut ourselves last week. We all did it, and most of them on the Government Benches are in the pay of somebody—some board or some consultancy—so they will be all right when they get a pay increase from them.

What else is being cut? Pensions are being cut. Look at the furore. I am sure that hon. Members have had letters from servicemen, policemen, teachers and local government workers about their pensions. The Government are murdering their pensions, and what are they doing about it? Absolutely nothing. The Government are going to sink them with their pensions—[*Interruption.*] Never mind looking at my lot: your lot are in power. They are in charge, and they have to deliver the pensions that those people are entitled to have.

We can go even further, because we can look at those who are in their pockets—the pockets of Government Members—who also evade tax. There is £16 billion out there in evaded tax, with people running off to the Cayman islands, or some island where they can put

their money under a sack and hide it. That is what is happening today. What are the Government doing about it? Absolutely nothing. They will tax the people of this country, but they will not tax those who run away to another country to put their money in a sack. That is what they will do, and they always have.

Then there is the argument that there was no money. That's funny—we had £7 billion to give to Ireland when Ireland went under. Why, we saw the Chancellor jumping up at that Dispatch Box and saying, "Not a problem, Ireland. We've got plenty of money—there's £7 billion," yet we kept being told that there was no money. Now what have we got? We have got this Libya crisis. Not a problem for Britain. Tomahawk missile? Not a problem, even when one Tomahawk missile costs £900,000, and we are firing them left, right and centre. That is another expense for the British people. Ministers are not saying anything about that at the Dispatch Box, but I am waiting for it, and it may come.

Several hon. Members rose—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. If people are going to intervene regularly, I am going to have to drop them down the list, because we are really struggling to fit everyone in.

7.9 pm

Mr David Ruffley (Bury St Edmunds) (Con): The business of the Government is not the government of business. The growth that this country needs, which will provide jobs and higher living standards for all our citizens, is generated by businesses, not by the Government. This Budget takes a modest step towards setting enterprise free in this country. I welcome these measures, but I also wish to sound a note of caution.

I want to talk first about the fiscal squeeze and the way in which inflation is squeezing Britain's businesses. The Chancellor of the Exchequer is rightly lionised for being the deficit reducer of the western world. Contrary to what the Opposition might think, we do have the biggest peacetime borrowing requirement in the history of this country, and national debt was doubled under the Labour Government. It is also the case that £120 million a day is being spent on debt interest, which is more than we are spending on schools, the armed forces, criminal justice and police. Those are the facts.

The Chancellor's rules are clearly correct, and he is setting about implementing them with real purpose and due ruthlessness to eliminate the structural deficit in five years, and thereafter to ensure that debt as a share of national income falls. The Chancellor's excellent fiscal policy is in safe hands but, sadly, monetary policy is not. The good work done by the Budget will be threatened by monetary policy. We all know that the Bank of England has let inflation out of the box. It has lost control of inflation. Consumer prices index inflation is now 4.4%, and retail prices index inflation, which many people feel is a truer measure of the cost of living, is now 5.5%. Too many letters have been sent to the Chancellor by the Governor of the Bank of England explaining why, yet again, he and the Monetary Policy Committee have missed the inflation target.

Our higher-than-expected inflation has had the following consequences. Our debt interest payments are £4.6 billion higher than forecast in November for the simple reason that inflation has fed through to gilts, one third of

[Mr David Ruffley]

which are index linked. We have also seen increases in the spending totals for social security and public sector pensions. This has led to an overshoot in the public sector borrowing figure, not for this year but for next year, of £4 billion. For 2012, there will be an overshoot of between £10 billion and £12 billion on the borrowing numbers that we forecast last autumn.

Higher inflation has another pernicious consequence. It will make cuts in public spending deeper, assuming that the Chancellor sticks to his cash totals, which I have every confidence he will. The Office for Budget Responsibility has forecast that average earnings will not grow faster than inflation until 2013, but the real worry in the OBR report is that inflation will not be tamed, and that the Bank of England does not tighten monetary policy in such a way as to get inflation under control. The report sets out a very gloomy scenario. It is that, in 2012-13, inflation could be stubbornly trading at around 4%. In those circumstances, real earnings would need to tick up. They will tick up, and there will be upward pressure at that stage for the Bank to jack up interest rates. According to the OBR's gloomy scenario, it could be as bad as having a 6% base rate by 2013. That would result in the mother of all squeezes—much worse than the one we are already contemplating. That is why I suggest that, when we look at the macro-economy, we pay more attention to what the Monetary Policy Committee is doing. It is the duty of this House to scrutinise exactly how the committee is ensuring that monetary policy works together with, and supports, fiscal policy. At the moment, it is not doing so.

Because of the pressure on living standards, I am particularly pleased that the Chancellor has decided to lighten the burden on ordinary hard-working families. Taking 1p a litre off fuel duty, abolishing the escalator and introducing a fair fuel stabiliser are at least a nod towards helping household finances and giving some stability to the cost of fuel for each household. By 2012-13, the allowances for income tax will rise so that the average cash gain will be in the region of £326 a year for every working household. Those measures will take 106,000 people out of tax in the east of England, and they will benefit more than 2 million in the region. There is also the council tax freeze, which will be worth about £72 for a band D property.

We seem to have made a sensible start on unleashing the forces of enterprise in this country, but it is my contention that we need to keep a watch on inflation. We need more deregulation, and quickly, and we will also need deeper tax cuts when the economy can afford them.

7.15 pm

David Wright (Telford) (Lab): Last week's Budget was delivered by a Chancellor who was quite frankly in denial about the impact of his Budget last year. He used to accuse the former Chancellor of the Exchequer and Prime Minister, my right hon. Friend the Member for Kirkcaldy and Cowdenbeath (Mr Brown), of being in a bunker, but the current Chancellor has not only gone into the bunker but has had it sound-proofed and cut off the phone lines. He is not listening to what is going on in the economy at all.

In my speech in last year's Budget debate, I cited the example of Japan and the problems that the Japanese economy has had over the past 10 to 15 years. Of course our hearts go out to the people of Japan after what has happened to them over the past few weeks, but it is interesting to see how their economy has behaved over the past 10 to 15 years. We have seen a series of growth figures that just bump along the bottom. There has been no significant stimulus in the economy there, and this country is in real danger of following Japan's example.

It is clear that the Chancellor has not taken into account the impact of last year's Budget on confidence in the economy, on the housing market and on the jobs situation in constituencies such as mine. He has gone on to build on the problems that he has already created in the UK economy.

Jacob Rees-Mogg (North East Somerset) (Con): Will the hon. Gentleman give way?

David Wright: I will not.

In the Budget, we have seen that growth estimates have gone down for last year, this year and next year. Borrowing is up by £43.4 billion, and debt interest will be £17.6 billion higher. According to the Chancellor's forecast, unemployment will go up by up to 200,000 every single year until 2015. That is a significant price for people to have to pay for what I believe are the sado-monetarist views of this Chancellor.

We have seen a massive squeeze on living standards right across the board. The hon. Member for Bury St Edmunds (Mr Ruffley) rightly spoke of the impact of inflation on the economy. People see it every time they go to their local supermarket as the costs of the core products that they buy rise significantly. There is an impact on the cost of food, as well as significant rises in the cost of fuel. It is interesting that the Chancellor's much-heralded policy for cutting fuel costs was destroyed within two days of the Budget, when I saw a gentleman arguing with the staff in my local Sainsbury's filling station. He said, "Hasn't the price of petrol gone down?" and they said, "Yes, it went down on Budget day, but we put it back up again the day after." That policy was blown out of the water as soon as it was announced, and, anyway, the Chancellor had already put a 3p a litre rise in the price of petrol into the system through the VAT increase.

It was interesting to listen to the Chancellor's speech. It contained a complicated segment at the beginning on tax thresholds, which he went through very quickly. That was because it contained all the clawbacks relating to the changes in tax thresholds, following the debate on the consumer prices index and the retail prices index and the announcements of all the cash that he was giving out—actually, he did not give out that much cash; he gave out a bit. All the cash that went out had already been clawed back in the measures announced at the start of his speech. The impact of his decisions in last year's Budget was that the average family with a child would be paying about £450 a year more in VAT anyway, so he had already wiped out any goodies to be given away in this year's Budget by the approach he took last year.

There has been much debate about youth unemployment. The corporation tax cut from the Chancellor is one way of proceeding for a Budget strategy, but I believe he

could have done something far more radical: instead of giving away that corporation tax cut, he could have spent the cash on a massive programme of employment, training and support for young people in the economy. He could have made that choice and, as I say, invested the money in training and skills for young people.

The Red Book is useful for looking at the Government's overall strategy. The table on page 12 is headed "International consensus on fiscal consolidation". It shows that we are up there as consolidators-in-chief with France, Turkey, Canada and Spain. There is, however, a significant outlier on this table—it is the United States. The table suggests that the US is going to move its fiscal consolidation position significantly next year, but I have my doubts. Let me explain what I think is going on.

I believe that the US is looking more carefully at where its economy is and is planning significant investment to lift its people out of recession. Obama's programme on public spending and expenditure right across the board shows that he is not pursuing a strategy of significant fiscal consolidation, and I doubt whether he will next year either. He is trying to ensure that his economy recovers throughout this period of downturn and that it does not go into significant levels of depression.

Finally, the enterprise zones are positive, but infrastructure investment has to be put in place alongside them; otherwise, they will not work and local economies will be blighted. This is a Chancellor who has got it generally wrong in the Budget. He needs to change his strategy and adopt a plan B very—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order.

7.22 pm

Annette Brooke (Mid Dorset and North Poole) (LD): I draw the House's attention to my entry in the Register of Members' Financial Interests.

I start by welcoming the increase in income tax thresholds. It is important that 1.1 million people, including a number of part-time workers, are being taken out of tax altogether. That will make a great deal of difference to them. In addition, up to 25 million people are likely to receive a rebate, which will, of course, be some help in these difficult circumstances. I would also like to welcome the many measures to help small and medium-sized enterprises, through incentives to invest and innovate, reduction in taxation and, most importantly, cuts in regulations that have been such a burden on our small and medium-sized firms.

We are where we are, and there is no doubt that it is growth in the private sector that is going to take us out of this situation. We are already seeing growth in manufacturing and growth in exports. That has to be where the growth comes from, rather than in the public sector. In his Budget speech, the Chancellor identified our current planning system as a chronic obstacle to economic growth in Britain. I would like to make a few comments on some of the proposals for planning.

First, on making it easier to convert commercial premises to residential ones, I am pleased this is going out to consultation as I can see some instances where it would be beneficial and others where it would be detrimental. The overriding question for me is how this fits in with localism, local decision making and indeed the proposed neighbourhood plans.

Developing an office block left empty for many years owing to a lack of demand for such facilities because of new ways of working sounds like a good idea, but let us suppose that that office block overlooks Poole harbour. It could be right for a second home, so what conditions could be placed on it to make sure local housing needs were met and that there was an affordable component? My own district shopping centre has suffered from estate agent creep, takeaway café creep and, of course, charity shops, so I hope its viability will be secured through a neighbourhood plan, but will this proposal present another threat? I welcome residential accommodation above shops, but there is often a conflict with noise and other side-effects from the retail use, which would need to be considered.

Although more flexibility about the level of control over change of use is generally to be welcomed, I am wary about any top-down national measures that would impede local people from shaping their local or town centres. Councils and local residents need to decide when and where the relaxing of rules would be advantageous. The new presumption is in favour of sustainable development so that the default answer is yes. Again, my worry is how this will fit with localism and the proposed neighbourhood plans. What is sustainable development? Presumably, it will be defined in the national policy framework. Housing amidst shops is sustainable in one sense, but not in others—the viability of a local shopping centre, for example.

Having fought long and hard against centralised targets, the south-west regional spatial strategy and the last Government's plans that would have destroyed valuable green belt within my constituency and that were not supported by any locally elected person, I welcome the commitment to protect the green belt. Naturally, I welcome the removal of nationally imposed targets, but with this presumption, can valuable green spaces, which are not green belt, be protected within a neighbourhood plan? It is particularly important in an urban setting to protect those green lungs and to be mindful of densities. High density works in some settings, but not in others. Will this new presumption be a trump card over local plans?

The infrastructure must be there. We need the right balance with housing. My local council seems to be pursuing its core strategy and trying to put the plan in place, but is still working to the housing targets set by the last Government.

I shall comment briefly on something that affects housing in my constituency. I represent an area with a great deal of valuable heath land, of which I am very proud. Natural England, however, has a policy that no development can take place within 400 metres of the valuable heath land. That is right for a large development, but when it comes down to infilling in an already built-up area, sometimes with dual carriageway between the housing and the heath land, I feel that it is too restrictive and should be looked at again. I do not want to jeopardise our valuable heath land, but I am sure that this policy, as it stands at the moment, is too restrictive.

It is important to achieve growth. There has to be some scope for speeding up the planning process, for empowering our councils to prioritise employment and housing opportunities and for giving them the tools to do so. That seems to me to make sense because we should have local decision making—on how we work, how we live and how we play.

7.27 pm

Mr Jim Cunningham (Coventry South) (Lab): It is well documented that the west midlands has been one of the worst hit regions during the recession. That is one reason why I raised the issue of enterprise zones in an earlier intervention. Those zones would certainly affect Coventry in a major way.

There is widespread concern in the west midlands about these cuts, but it is important to remember how this started. Some of us were here when the economic crisis blew up. It blew up in America. I realise that Government Members are probably in denial about this, but the fact remains that it started with Lehman Brothers in America. As Members who have followed these events will recall, there are still some charges against them. A Senate investigation took place into why Lehman Brothers collapsed. Some believe that the American Treasury could have done a lot more to help Lehman Brothers out. Be that as it may, it did not happen. We should all remember how this started.

People might have short memories, but the situation became so bad that even a Republican President and tax cutter like George W. Bush ended up pumping billions of dollars into the economy in the last month of his presidency. He realised the seriousness of the situation. It is not true to suggest for a moment that the Labour Government created this problem. It was an international problem, and that has been demonstrated.

It is equally important to say that we were never in the same position as Greece or Portugal—or Ireland, for that matter. We kept our triple A credit rating, although people tend to forget that. If we cast our minds back, we will remember that we had to restructure the banks. Anyone who watched the collapse of Northern Rock night after night on the television would know that there could have been a major run on the banks. The previous Government acted decisively and quickly. The last Prime Minister flew out to America in an attempt to secure international agreement on how to control the banks. The widespread absence of such agreement was one of the major problems. The Prime Minister tried to secure it in Europe as well. To say that we created the present problem is to deny the truth, in my view at least.

As I have said, we had at least 14 years in which to repay our debt—unlike Greece, and unlike other European countries such as Ireland. If we can underwrite Ireland's debt, or help Ireland and promise to help one or two other countries, that suggests to me that our country has not been as badly off financially or economically as the Government parties have tried to make out. There certainly were economic problems, as I have demonstrated, but not to the extent that the Government's solution suggests. We said that we would probably halve the deficit over about four years, but the present Government want to eradicate it, and I cannot think of any United Kingdom Government in recent history who have eradicated a deficit. Governments have tried, but they have not been able to do it.

We should bear in mind that when Labour came to power in 1997, 50p in every pound of taxpayers' money was used to pay off debt. People also tend to forget that, after consultation with industry and the trade unions, we introduced the car scrappage scheme, which brought the motor car industry out of the doldrums. That was a

long, hard-fought battle. We would certainly have reduced the deficit over those four years.

Coventry has benefited from significant redevelopment and regeneration, and the public sector has been crucial to that process. What concerns us now is the possibility that the Government's cuts in the public sector will cause it to return to the days of the late 1970s and 1980s. Members may recall that, during the 1970s and the 1980s in particular, the motor car industry in Coventry and manufacturing in the west midlands were almost annihilated. The Government talk of balancing the economy. The last Conservative Government were balancing the economy at the time, but they were balancing it in favour of the service sector. The present Government criticise the excessive emphasis placed on that sector, but the Conservatives started it.

Rising unemployment is also a growing worry. The latest figures from the House of Commons Library reveal that there are nearly 10,000 unemployed jobseekers in Coventry, and the position is likely to worsen in future years. Coventry is famous for car manufacture, but public sector workers are driving much of the local economy under the present Government.

As some Members will recall, one of the Government's first actions, last June or thereabouts, was to abolish the British Educational Communications and Technology Agency and the Qualifications and Curriculum Development Agency. They also abolished Advantage West Midlands, which was one of the most successful regional development agencies in the country and had created hundreds of thousands of jobs throughout the midlands. It created Ansty technological park, of which the Government are now very proud. What a strange coincidence. When we created a business park at the university of Warwick at the same time, we were told that we had no business to be in the area, but later the Government tried to take the credit.

I will end my speech now, because I know that others wish to speak. There is a time limit anyway.

7.33 pm

Stephen Mosley (City of Chester) (Con): Last year's emergency Budget and the comprehensive spending review laid the foundations for rescuing our economy and restoring our public finances to balance. Now reform is needed to steer our country to prosperity, and at the heart of the reforms that are necessary is the knowledge that less interference and regulation from central Government is the natural precursor of growth and efficiency. It is essential that we make it as easy as possible for our firms to succeed, expand, and employ more people, and it is imperative that we send a clear message that this coalition Government are on the side of innovators and entrepreneurs.

I am fortunate to represent Chester, which is a successful, popular and thriving constituency. However, like most places, we could do better. I am in the enviable position of watching companies queue up to move in and invest, but our problem is that we have nowhere for them to move into. For years after the millennium, we had a planning moratorium that was designed to discourage investment in Chester and Cheshire and direct it towards Merseyside or Greater Manchester instead. I have no problem with encouraging investment in our metropolitan city centres—indeed, I welcome it—but that must be done by making them more attractive to investors,

rather than simply stopping investment in other areas and hoping it will spontaneously start up elsewhere. The two-pronged approach announced by the Chancellor on Wednesday will help to solve both problems.

First, enterprise zones will create areas that are more attractive to investors, developers and those who wish to start up companies. I am delighted to note that Liverpool Waters has been selected on Merseyside. That will create jobs and investment, which will help people in the whole sub-region, including my own city of Chester. Unlike many Members over the past few days, I am not going to call for an enterprise zone in my own constituency, but I wholeheartedly support Cheshire West and Chester council's proposal for one in neighbouring Ellesmere Port. A manufacturing-based enterprise zone there would complement the existing manufacturing industry—including Vauxhall and Shell—and because workers no longer live next door to the factories in which they work, it would create jobs for people in Chester as well.

Secondly, Chester will benefit from the relaxation of planning regulations. Planning is rightly considered to be a sensitive issue in Chester. Ours is a small historic city with a heritage and archaeology that make new development in the city centre very difficult. We are also tightly surrounded by green belt. All Members will be aware of the difficulties caused by proposed green belt development. However, that does not mean that we should have a planning system that places even more hurdles in the way of investors, developers and wealth creators. Reforms involving streamlining, fast-tracking, removing bureaucracy and time-limiting are long overdue, and they will have one simple consequence: they will facilitate growth.

I also welcome the Chancellor's announcement that the Government will consult on the potential benefits of merging income tax and national insurance. It does not make sense that people's earnings are subject to two separate taxes that are deducted directly from income. Let us not sit here and pretend that there is one pot of money that goes towards paying the state pension or unemployment benefits, and a completely different pot for general Government expenditure. Income tax and national insurance are contributors to the same kitty. Of course we must take great care to ensure that there is no unfair impact on those of state pension age whose earnings are not currently subject to national insurance deductions, but if the system can be simplified, it should be simplified.

Those of us who have run businesses are all too aware of the burden that the current system places on business owners, especially owners of small businesses that do not have the advantage of large payroll departments. It was obvious from the cheers on the Government side of the House on Wednesday that many of my colleagues had had such experiences, but as we cheered, the blank looks on the Opposition Benches told a different story. It dawned on me that many Opposition Members had very little idea of the difficulties involved in running a small business. They seemed unaware of the impact of this unnecessary complication on businesses up and down the country.

We should be doing all that we can to reduce the burden of bureaucracy on businesses and to help them to invest their time, energy and money in growth, ingenuity and development. That is what this proposal will help

to deliver. If we want to stimulate our economy and help business and private enterprise to grow, we need to cut costs, cut regulations and cut bureaucracy.

Last week the Chancellor said:

"We want the words:

'made in Britain, created in Britain, designed in Britain, invented in Britain' to drive our nation forward."—[*Official Report*, 23 March 2011; Vol. 525, c. 966.]

Only a simplification of regulations will allow such an overhaul of our economy, and I believe the measures outlined in the Budget are the first steps towards achieving that goal.

While the cuts in public services have been directly caused by the disastrous economic legacy of the last Government, these cuts in bureaucracy, waste and red tape are entirely our own, and will provide the foundations needed to help our economy to grow for decades to come.

7.39 pm

Paul Goggins (Wythenshawe and Sale East) (Lab): It is a pleasure to follow the hon. Member for City of Chester (Stephen Mosley).

I want to start by welcoming three aspects of the Budget. The first of them is the confirmation on page 54 of the Red Book of the announcement made the day before the Budget that the Government intend to fund a new system of savings accounts for children in care. The previous system was lost when the child trust fund was abolished last year. I have been campaigning with Barnardo's and Action for Children for a new system to improve the prospects of those leaving care, and I am grateful to the Financial Secretary, who is in his place, for the constructive approach he has taken and welcome the Government's announcement.

Secondly, I welcome the decisions to put on hold this year's increase in air passenger duty and not to move to a per plane tax. High levels of APD are having an impact on regional airports such as Manchester airport in my constituency, including by putting off airlines from making connecting flights to regional airports. A per plane tax would be even worse, of course. I therefore welcome the consultation the Government have begun, and I encourage Treasury Ministers to look very closely at the regional variations proposal made by regional airports.

Thirdly, I welcome the announcement that Manchester's airport city is to be one of the new enterprise zones. Politicians, and certainly Opposition Members, hold various and different opinions about enterprise zones, but I welcome the prospect of the rate reliefs that will be available and the superfast broadband. More particularly, having zone status will give airport city the energy to turn the ambitious plans that have been drawn up into reality. Airport city could certainly produce jobs—perhaps as many as 15,000 in total—when all the plans are worked out.

There are two issues on which I seek reassurance, however, and if there is not time to address them in the winding-up speech I would appreciate a letter following the debate. First, it is essential that the zone is shaped and led by its key local partners: Manchester airport, the city council and the University Hospital of South Manchester. Manchester's international airport will clearly be an attraction for international investors, and the

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hospital also has an ambitious plan, known as medi-park, which would attract global players in the life sciences industry. These organisations must be allowed to define the zone for themselves, and to get on and make progress. We must hold the Secretary of State to his statement earlier that this will be bottom-up, not top-down. We need a reassurance that that will indeed be the case in practice.

Turning to the second reassurance I seek, airport city is one of the bids being considered for regional growth funding, and it is crucial that funding is made available and that we begin to put the infrastructure in place that will make the zone possible. A particular feature of the Manchester bid is the idea that public money should not simply be spent but be recycled and reinvested as the market develops and progress is made. I hope that that aspect of the Manchester bid model will find favour with Ministers.

The ultimate question about airport city is whether it will benefit the people in my constituency and the surrounding communities who still face severe hardship and disadvantage, and whether they will get the support, training and opportunities they will need to be able to connect to the jobs that will be created. I give an assurance that we at local level will do everything we can to make this a reality, but, frankly, there is little in the Budget that offers us encouragement. The growth estimates are down and the estimates for unemployment and social security spending are up, yet the message from the Chancellor is, "No change. Carry on as normal. Carry on with the cuts." We have no prospect of new investment in social housing, and even with almost 1 million young people now out of work and on the dole he is not prepared to invest in a proper, quality jobs programme for young people such as the future jobs fund, of which I am very proud, and under which 8,000 young people in Greater Manchester found work in the last year alone, including hundreds from my constituency.

Let me give one example. It concerns the STARS—student tourist ambassador recruit—project run by Manchester airport. Out of 40 young people, 32 now have permanent employment as a result of their going through the future jobs fund, but we have no prospect of that now. All we have is the pale imitation that is on offer: the work experience scheme that will last a maximum of two months. Most worryingly of all, even now, on the eve of a catastrophic loss of jobs and public services, the Chancellor is not prepared to revisit the public spending decisions.

In the days that follow any Budget, we are treated to a mass of statistics, trends and distributional detail, but in the few seconds remaining to me I want to take Members on a journey to a small street in Benchill at the heart of my constituency, so that they can learn what the Budget and this Government's policies mean for communities such as those I represent. Benchill is a community that knows real poverty through experience, but through previous investment in schools, community infrastructure and housing the trend has been reversed. I recently met the mother of a 14-year-old boy who was destined to be on a programme that would have given him work experience leading to an apprenticeship, but that has now gone because of the cuts. I also met a man

who has worked for 25 years in the youth service in Manchester, and who was given his redundancy notice last Friday, and a young woman who works at the local Sure Start centre, and whose job goes in September.

That is the reality of what is happening. The Conservatives think that when the economic prospects improve, all communities will benefit, but that is not true. Particular communities need particular help, and I urge a rethink on the Budget in that respect.

7.46 pm

Andrea Leadsom (South Northamptonshire) (Con): The measures our coalition Government have taken in the Budget make something of a silk purse out of the sow's ear left by the previous Government, and I was very reassured by the letter published in today's *The Daily Telegraph* today from venture capitalists about the fact that these measures will be very attractive to business start-ups. Some 99.9% of enterprises in this country are small and medium sized, 60% of private sector employment comes from that sector, and there are 500,000 new start-ups each year. In my constituency, there are many small businesses, some focused on motor sport or high technology, and they are exactly the sorts of businesses this coalition Government are determined to support. I welcome the many measures we took in the Budget to try to encourage the development of such new businesses.

I recently had a meeting with my Northamptonshire business club, at which business people told me that the single biggest problem they face is funding. Bank finance is still not being made available to them at prices they can afford. The figures show that between 2009 and 2010 small businesses with a debit account turnover of less than £1 million per year suffered a 19% drop in total lending made available by banks. The problem is not just the lack of availability of funding, however; it is also the terms, such as the time scales, which have been much shorter—sometimes just a year—and very difficult to achieve for small businesses. The arrangement fees have been much higher too, and the margins have increased by an average of 60 basis points. Funding for small and medium-sized enterprises has therefore been extremely difficult, and remains so in spite of the excellent Project Merlin agreement this Government put together, which I thoroughly welcome.

I want to make the following suggestion to Ministers. United Kingdom Financial Investments Ltd, which holds the taxpayers' investment in the banks, should look at the shares we own and consider whether it might restructure some of the shareholdings in Northern Rock, Bradford & Bingley, RBS and Lloyds HBOS with a view to creating new banks out of the bank shares. In other words, it should consider restructuring some of those shareholdings to create, at a stroke, new competition in the high street and particularly in the SME lending area. While we remain significant shareholders in those banks, I believe there is a huge opportunity to improve funding availability and banking competition.

The Treasury Committee recently took evidence that showed that up to 90% of SME finance comes from just five banks in the UK. It is absolutely true that conservative lending is the way forward, and banks will not be able to afford to make loans at such cheap rates as in the past, but there is plenty of evidence to suggest that these

enormously concentrated market shares are creating enormous pressure for SMEs. Indeed, Mervyn King told the Treasury Committee that

"we should try to encourage new entrants into the banking system because they will not have the same problems of legacy balance sheet difficulties."

He also said:

"We have to make sure there are other sources to which those SMEs can turn for finance."

This Government have been incredibly generous and creative in their support for SMEs, and I urge Ministers to consider this idea, because it is only through revitalising our private enterprise in an SME-led recovery that we will put our economy back on track.

7.49 pm

Helen Goodman (Bishop Auckland) (Lab): I am pleased to have the opportunity to contribute to this year's Budget debates. Last Wednesday, the Chancellor of the Exchequer had a choice to make. He could have corrected the judgment he made last summer in the light of December's stall in growth and the huge instability in the oil market, but he made a different choice: he chose to continue with his £81 billion of public spending cuts. Notwithstanding the remarks made by the hon. Member for South Northamptonshire (Andrea Leadsom), I fear that the Government's supply side measures will not produce a revolution in entrepreneurialism. The evidence for that is the Chancellor's own growth forecasts. The forecasts for the early years have been reduced by far more than those for the later years have been increased, and that is because everything is dwarfed by the massive fiscal retrenchment. The cuts are deeply unfair and they are a strategic blunder.

I wish to focus for a moment on the cuts to the poorest families: the cuts to the social fund. At the beginning of March, the Department for Work and Pensions announced an immediate end to crisis loans for cookers and beds. Why? Before the election, the hon. Member for Thornbury and Yate (Steve Webb), who is now a Minister of State at the Department for Work and Pensions, said:

"People who apply for crisis loans are desperate and have nowhere else to turn...The Government has got to practice what it preaches to the banks and make more cash available through these loans to help families through hard times."

Now he prioritises sticking to the Budget and says:

"We need to ensure that crisis loan support is correctly targeted at those who need it most".

Does he honestly believe that bedding is not essential? Does he think that mothers of disabled and incontinent children do not need beds and bedding? Can Government Members imagine how a mattress smells after six months' use by an incontinent child?

Claire Perry: Yes.

Helen Goodman: The hon. Lady says yes, so she obviously thinks it is satisfactory for poor children to live in that way—a way that I am sure she would never allow her own children to live.

Do Government Members think that children in poor families should have only cold food—even in winter? Would they like to say to their small child on a cold afternoon in November, "Oh you can't have baked

beans on toast. You've got to have a cheese sandwich"? No wonder DWP Ministers are not having an outing on the Treasury Bench during these Budget debates. Clearly they do not want to face the criticism they know they would get from Labour Members.

In answer to questions, the DWP has told me that last year crisis loans for cookers and bedding totalled some £27 million. Where are people supposed to turn instead? Are they supposed to turn to the voluntary sector? I recently met families in my constituency, all with disabled children, who had benefited from that excellent voluntary sector organisation the Family Fund. Last year, the Family Fund helped 55,000 families with items such as cookers and bedding and its total budget was £35 million. Are the Government going to increase the grant to the Family Fund by £27 million to make up for the cuts to the crisis loans? Last year, the Family Fund included a picture of the right hon. Member for Witney (Mr Cameron) in its annual report—I wonder whether it will do that next year too. I am sorry that the hon. Member for Colchester (Bob Russell) is the only Liberal Democrat Member here to be reminded that the Minister responsible for this is the hon. Member for Thornbury and Yate.

The problem that this country faces is not that it is bankrupt; the problem this country faces is that it has a Government who are morally bankrupt. This is hurting, but is it working? Taking the four years from 2010 to 2014 together, the independent Office for Budget Responsibility forecasts that growth will be down, unemployment will be up, the social security budget will be up and net public sector borrowing will be up by a massive £40 billion. Already this looks like a catastrophic error of judgment and a strategic blunder. There is an alternative: a sensible path to fiscal consolidation as set out by my right hon. Friend the Member for Edinburgh South West (Mr Darling), which was about bringing down the debt, promoting growth and keeping people in work. There is an alternative, and on Saturday 300,000 people came to London to demonstrate in favour of it.

7.55 pm

Graham Evans (Weaver Vale) (Con): Before I dive into my speech, I just want to provide clarity on a matter that has caused considerable trouble for Labour Members. In last Thursday's Budget debate, the shadow Chancellor rightly referred to Members getting confused between debt and the deficit, but one of the worst offenders is the hon. Member for Streatham (Mr Umunna). Given his extremely confident exterior, his no doubt lengthy experience of working in the City and his position on the Treasury Committee, one would not expect him to be so easily confused about basic economic terms, but he has talked about "paying down the deficit". For his benefit, let me explain: you can pay off or pay down debt, but you cannot pay down a deficit. The deficit is the gap between income and expenditure, and therefore the level of borrowing required. This is not just pedantic semantics, because it really matters when the Labour party confuses debt and the deficit. It makes a policy of halving the deficit over the course of this Parliament appear reasonable, but it is in fact a policy that involves continuing with massive levels of borrowing well beyond 2015, and saddling our children and grandchildren with even more debt. That is why a structural deficit is something that we need to eliminate and why two

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political parties have come together to achieve this goal by the end of this Parliament. I am very pleased that this Budget keeps us on track to do this.

Having got that off my chest, may I say that I am delighted to speak in this Budget debate and I am delighted at the announcements made last week by my right hon. Friend the Member for Tatton (Mr Osborne)? My constituency stretches from the border with Tatton in mid-Cheshire all the way to Runcorn and Merseyside. As I have mentioned before, I am the only Government Member with a constituency on the Mersey estuary, so I am very pleased to welcome this Budget, which does more for Merseyside than any of Labour's 13 Budgets between 1997 and 2010. The plans for enterprise zones in both Merseyside and Greater Manchester are great news for my constituents, who commute to both cities in large numbers. Along with the reduction in corporation tax and increased relief for small businesses, the zones will bring investment, help boost growth and create jobs.

I am also thrilled about the decision to invest £100 million in science capital development, with a substantial share going to the Daresbury science and innovation campus, in my constituency. That investment provides a sharp contrast with the Labour years, when funding was taken away from Daresbury and the north, to be put into alternative centres in the south-east. Many Members may be growing tired of my constant references to this world-class facility, but I will continue to support it in any way I can, and I welcome the creation of thousands of high-tech local jobs.

The timing of that investment also happens to be rather helpful for me. Just two days before the Budget, Rob Polhill, the Labour leader of Halton borough council attacked me in the local paper, asking:

"What new money has he actually won for Halton since he became the MP?"

Councillor Polhill has been very quiet since the Budget. But to be fair to him, he is not the only Labour politician struggling to respond to the Budget. The Leader of the Opposition's Budget response last week was the most astonishing performance I have ever seen in this Chamber. He talked for 15 minutes but said nothing. Labour lack any credibility on the economy. Despite their leader ordering Front Benchers not to make any unfunded spending commitments in February, they went on to make £12 billion of spending commitments in just four weeks. The Labour Party has not changed: it is still suffering from spending diarrhoea—or, to use the correct medical Latin, "Balls-itis".

I could list every welcome measure in the Budget, but I would run out of time. So let me focus on three areas that will help to reduce the burden on families. The 1p cut in fuel duty and the scrapping of Labour's fuel escalator is very welcome. Many constituents have got in touch to express their concerns about rising prices, and I know that the cost of running a car falls particularly heavily on those with children. I have three young children and "Mum's Taxis" takes them to football, cricket, rugby, judo and parties. When we bought our Vauxhall Zafira five years ago, it cost £30 to fill the tank and it is now nearly £60. I congratulate the Government on the action they have taken; if Labour were still in

power, people would be paying 6p a litre more in fuel duty. Labour is the party that punishes the motorist at every opportunity.

I welcome the help for home owners and the help on to the property ladder for first-time buyers. The Firstbuy programme of equity loans is an excellent initiative. When I knock on doors in my constituency, I regularly hear people's worries that their children or grandchildren will never get to own their own home and will have no choice but to move away from Cheshire, so I am proud to support a Government who are taking practical steps to encourage more house building and to help people on to the property ladder. Finally, I congratulate the Government on raising the personal tax free allowance again. That is a big help for many people and has now taken more than a million of the lowest earners out of paying income tax altogether.

I shall finish by giving my full support to this excellent Budget, which boosts growth, helps families and is exceptionally good news for my constituency.

8.1 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): It probably comes as no surprise that I was deeply disappointed by the announcements in last week's Budget. The Chancellor was strong on rhetoric but short on action that will deliver a sustainable economy, quality jobs, and a fairer society. Despite the Budget's being hailed as a Budget for growth, the OBR growth forecasts were revised down for last year, this year and next year and although the OBR has revised medium-term growth prospects slightly upwards, it is entirely unclear why less growth now should somehow automatically lead to higher growth later.

The OBR concluded that the effects of the Budget's so-called growth measures—the cut in corporation tax, the relaxation of planning laws and the creation of 1980s-style enterprise zones—would be minimal and unlikely to raise the trend growth rate of the UK economy. We already know from evaluations of similar and comparable enterprise zones, not just in this country but in Europe, that there has been a zero net increase in growth. There tends to be a relocation effect, but that is about it. I am glad that many of our colleagues have had positive experiences, but the overall evaluation shows quite the opposite.

Once again, the Government are ignoring evidence and pushing ahead with ideologically driven policy. Not only is the Chancellor ignoring evidence, but he is failing to listen to the British people. The Chancellor made little reference to public spending plans—his Budget stuck rigidly to the public spending plans set out in last October's spending review. It was as though he thought if he did not mention the cuts, nobody would notice them. Well, the people have noticed and in addition to sending clear messages to the Government in the recent by-elections, mine included, on Saturday more than 250,000 people also voiced their objections to these disastrous cuts to vital services—the police, social care, education, and our NHS.

Despite what the Government say, such cuts are affecting our NHS. One of my constituents, Peter Thornborrow, was diagnosed with cataracts last year. He is a 50-year-old precision engineer and he has had his cataracts operation refused. Cuts are going on and

are affecting his ability to work. That is obviously not what we need. My surgeries are full of the tragic consequences of the Government's policies as services are cut or rationed.

In addition to the human tragedy resulting from the disastrous cuts to public spending, the spending plans will also continue to crimp UK economic performance. The irony is that the deficit will increase as a result of what the Government are doing, but they say the cuts are needed to reduce the deficit. The Government are now expected to increase the amount of borrowing—the amount of debt—by an additional £45 billion over the coming years. Last week, as we have already heard, the credit ratings agency, Moody's, warned that slower growth combined with

“weaker-than-expected fiscal consolidation”

could put the UK's triple A credit rating at risk. In other words, the Chancellor might be stumbling into exactly the situation he says he is trying to avoid.

Alongside the downgrading of growth and the cuts in services and jobs, prices have and will continue to rise faster than expected and wages slower, dampening the recovery even further and adding to the deficit, not to mention the spectre appearing to home owners of an increase in their mortgage interest rates. The rise in inflation to 4.4% announced last week—that is the consumer prices index, which is much higher than the EU average of 2.8%—and the revised upward projections, coupled with average earnings going down, mean that the squeeze in living standards is set to intensify this year and next.

Most alarmingly, forecasts for unemployment have been revised up and it is now expected to reach more than 8% this year. In my constituency, we have seen unemployment nearly double over the past few years, with one in five young people affected. That is simply unacceptable—we cannot have another generation of young people consigned to the scrap heap as we saw in the 1980s and 1990s. I was a community worker in the 1980s and I can remember how the young people I worked with felt abandoned and written off. The Chancellor is proposing more work experience opportunities for our young people, but will that help young people like those with whom I used to work? I remember one young woman whom I took to job interviews for work experience and she rocked backwards and forwards in her first interview. It was tragic and it took five interviews before an employer was willing to take her on and months of hand-holding before she increased her confidence and self-esteem so that she could go on to secure permanent employment.

On the surface, the proposals to increase work placements and apprenticeships seem positive but those must be high-quality programmes that cater for young people's range of needs, including the needs of people like the young woman I have spoken about. However, the most important way to reduce unemployment, including youth unemployment, is to get the economy going again.

The Chancellor has claimed that the Budget is fair. I do not know what definition or test of fairness he is using, but the Institute for Fiscal Studies analysis shows it is not fair. I think that most people will consider that the Budget means, for example, that disproportionately more young women and young people will lose their jobs and that pensioners will be affected.

8.7 pm

Angie Bray (Ealing Central and Acton) (Con): Let me start by saying how welcome the Chancellor's measures to remove red tape are. By freeing up small businesses and start-ups from the burden of excessive regulation, we will encourage a new generation of entrepreneurs and create for them the conditions in which they can thrive and kick-start our economy again. So often, it is young, creative and dynamic people who are penalised for their endeavours by becoming entangled in too much red tape. I am really pleased that the Government are taking steps to put their trust in these people and I am sure that we will soon reap the rewards.

It must be said too—I know many of my hon. Friends agree—that this is hardly the easiest time to produce a Budget to cheer us all up. With the problems in the middle east, tragic events in Japan and worrying developments again in Portugal, producing such a balanced, fiscally neutral Budget, which none the less contains a number of positive moves, is a feat in itself.

Let us forget—as I note many on the Opposition Benches are still wont to do—we are still in the big old mess inherited from the previous Labour Government. It was a faintly depressing experience to listen to the Leader of the Opposition as he moaned on in response to the Budget statement, constantly barracking us for taking difficult decisions and suggesting that we enjoy imposing hardship on communities across the country. That is just childish politics that does nothing to further the public debate.

It is quite scandalous that Opposition Members now absent themselves from any responsibility for the spectacular mess the Government have inherited. They desperately avoid the fact that we faced the same banking crisis as every other country, but, separately, we were left with the largest deficit in the G7. It is because of the Labour party that Britain is spending £120 million a day just on servicing the interest on Labour's debt.

The Chancellor has shown that we remain firmly committed to turning the country around. His decision to double the first cut in corporation tax is a huge step forward and comes on top of measures to help smaller businesses, such as extending the business rate relief for another year. Those proposals, plus the 50,000 extra apprenticeships that will bring the total funded by Government to 250,000 over the next four years, demonstrate a Budget with a vision for growth. The 1p cut in petrol duty, on top of the cancellation of Labour's extra 5p tax on fuel that was in the pipeline, is also a welcome relief for hard-strapped motorists and businesses. The reduced freight costs should also help to bear down on inflation, but shame on those petrol stations that are not passing on the cuts.

The introduction of the new enterprise zones only further confirms the Government's intention to make it as easy as possible to start up and grow new businesses, but I must throw my hat into the ring and stand up for my patch on this issue. London is to have one enterprise zone in the royal docks area and the Mayor has announced that he is going for another two—one in Croydon and one in Tottenham. My question, as the Member of Parliament for Ealing Central and Acton, is, what about west London? With the focus on the Olympics in east London, other parts of London have missed out on regeneration programmes and I hope that City Hall will soon start to look west once again.

[Angie Bray]

Moving to a smaller, but significant, aspect of the Budget, I welcome the removal of the requirement on charities to document gift aid for donations of £10 or less. That will be of considerable assistance to churches, along with all charities, around the country. Those beautiful buildings are maintained without support from the Government or the Church Commissioners, often by small bands of dedicated people within their parishes. The move could mean, even for smaller churches, a positive gain to cash flow of £1,000 or more. In many cases, it will make all the difference between keeping them open or having to shut them. This measure is clearly a big shot in the arm for the big society. Allied with the Chancellor's promise to cut the inheritance tax rate by 10% for those who leave 10% of their estates to charity, which could benefit charities by as much as £300 million, it firmly underlines the Government's commitment to supporting volunteering, philanthropy and social action.

In conclusion, I support the Budget proposals at a time when the whole country is still struggling to emerge from Labour's recession. The measures are not individually huge, but put together they provide good reasons to be a little more cheerful during these difficult days. After all, the Government have also taken decisive action to lift more than 1 million people out of paying tax altogether and have restored some sanity to prices at the petrol pumps up and down the country—and let us not forget their initiative to freeze council tax across the country. The measures in the Chancellor's Budget point the way towards a far stronger economy—a rebalanced economy with a successful private sector powering ahead. We should not forget that without a thriving private sector, we can never afford efficient and sustainable public services.

8.12 pm

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Across Britain, our low-carbon firms, our green groups and millions of concerned citizens had high hopes for this Budget. They have heard the Prime Minister say that this will be the greenest Government ever—an ambition that was restated in the Chancellor's Budget statement—so they might therefore have expected this to be a Budget for green growth and green jobs and a boost for green firms, but those hopes have been cruelly dashed by Ministers as it was not a Budget for green growth, green jobs or green firms. There have been so many promises, but so little action.

I want to address three important areas, the first of which is the reduction of household emissions. Ministers have announced the green deal for householders and tenants to make their homes energy efficient, but a closer look at the scheme shows that it is at serious risk of being bungled and botched. A battalion of accredited energy assessors and installers will be needed, but where will they come from and what are the incentives for home owners and tenants? How will consumers be protected from cowboys and what happens if the cost of energy efficiency measures is not met by the savings? Who will pick up the bill? The Government claim that up to 14 million households will benefit by 2020, so every one of the people living in those homes has the right to demand answers.

What about the Government's ambition to make all new homes zero-carbon? In an article in *The Guardian* on 6 December 2010, the Minister for Housing, whom I am sorry to see has left his place, wrote,

"very soon I'll be setting out our progress towards achieving a zero carbon approach".

At the zero carbon hub annual conference on 1 February—just under two months ago—the Minister for Housing said:

"The commitment to Zero Carbon remains in place—there's no ambiguity about that".

There is no ambiguity because buried on page 117 of the Government document, "The Plan for Growth", contrary to what we have heard from the Secretary of State for Energy and Climate Change, who should perhaps look more closely at those elements of the Budget that affect his Department, Ministers have killed that commitment stone dead. The WWF described the announcement as

"years of work and ambition swept away."

The second area that I want to discuss is the green investment bank, which Department of Energy and Climate Change Ministers have heralded in every speech and utterance. The Energy Secretary has staked his political reputation on it and green businesses up and down the country are crying out for it, so where is it? That the green investment bank will not be able to borrow its own capital until 2015—four long years away—and only then if the Government's debt target is met, makes me wonder when a bank is not a bank and when it is merely a fund run by officials. Surely, a bank has staff, a board and a headquarters building. I have been asking Ministers about the set-up of this so-called bank for a while, but we are still waiting for the answers.

The fund that has been announced will total £3 billion, but Ernst and Young calculates that Britain needs £450 billion between now and 2025 for low-carbon investment. Ministers claim that up to £1 billion will come from selling Britain's third share in URENCO, the uranium enrichment company. Perhaps Ministers can tell us what the URENCO share price is today compared with a year or two ago? If it can be done in 2015, why can it not be done this year? Do Ministers really believe that we can take our time? I keep hearing time and again from green companies that the window of opportunity is closing and that green business needs stability, but all they get from the Budget is uncertainty.

Thirdly, what does the Budget do to boost green research and development? No one should seriously doubt that without research and development into low and no-carbon technologies there will be no green revolution in Britain and Britain's good green ideas will be developed abroad. Research into biofuels such as algae biofuels, which can be developed on arid land and could considerably reduce aviation emissions, has been cut, not boosted, by the Government. They have cut funding to the Carbon Trust and support for geothermal, tidal and other renewables has also been slashed. They have taken an axe to the very research and development that would yield the new green products and jobs for the future—how unlike other countries, which have increased their support for those infant technologies.

Britain can be proud of its environmental and renewables firms, including companies such as Eco Environments on Merseyside. We can also be proud of our leadership

in low-carbon firms such as our video games development industry, which is the third largest in the world. In 2010, UK sales of video games totalled £1.53 billion. Those are the kinds of low-carbon sectors that deserve our support, but this Budget is unambitious: it does not deliver for low-carbon enterprise, it does not deliver green jobs and it does not deliver growth. Judged by deeds, not words, this Government fail every test. Ministers talk green, but is not the simple truth that this Budget sets Britain's environmental progress back years?

8.18 pm

Guto Bebb (Aberconwy) (Con): It is a privilege to speak in this Budget debate. First, I should like to touch on some of the comments that have been made so far, especially the opening comments of the Secretary of State for Communities and Local Government, who stated categorically that English council tax payers were enjoying a council tax freeze. Unfortunately, that is not the position in Wales where the Labour-Plaid Cymru Assembly Government have decided not to ask the local authorities in Wales to play a part in the sacrifices being asked of the population of Wales, and as a result people in constituencies such as mine are facing council tax increases this year.

It has been said that the council tax saving is nothing compared with the cost to individuals of the increase in VAT. I was in a public meeting in Penrhyn bay in my constituency on Friday night where a large proportion of the population are pensioners. Often, pensioners' biggest expenditure will be on food, heating and council tax, and there has been no effect on their food budget from the VAT rise because food is zero-rated. In the same way, there has been no increase in the cost of heating, because VAT on household fuel is remaining at 5%. But, under a council that is operated in Wales by the Labour party, we have had an increase in council tax, and it is fair to make that point.

We hear a lot from the Assembly Government about the fact that Wales is treated very badly by the coalition Government in Westminster. That is not the case. In a fiscally neutral Budget, the consequential through the Barnett formula for the Welsh Assembly was £65 million. Over the weekend I took part in a number of television and radio programmes. Not once did I hear a single member of the Labour party or Plaid Cymru say a word of thanks for the fact that Wales is benefiting to the tune of £65 million as a result of the changes announced in the Budget.

The main feature of the Budget is that it is a Budget for growth. The proof of the pudding is in the attitude of small businesses to the Budget. I was delighted—elated even—on Friday morning to go into my office and receive an e-mail from a business in my constituency in the town of Llanrwst. That business man had been communicating with me regularly since Christmas, asking, "When will this Government show their commitment to small businesses?" He wrote to me on Friday morning, stating that he now felt confident that the Government would stick to their promises to support enterprise. As a result of the Budget, he had undertaken to invest £160,000 in his business and to give his staff a pay increase for the first time in three years, because he felt confident enough to make such a decision.

In a constituency such as mine, where 70% of employment is in the public sector—a statistic that

would have embarrassed the East German Government in 1989—and there remains such dependence on the public sector, it is imperative that we get the private sector moving. In a Welsh context, the private sector means small businesses. I welcome the fact that we are reducing the corporation tax rate in the Budget. I also welcome the fact that the small companies corporation tax is going down from 21% to 20%, but in my constituency the vast majority of small businesses are owned and operated by sole traders and in partnerships. The fact that we are increasing the personal allowances makes a real difference to such businesses. It means that they can retain and reinvest more of their profits.

I am delighted with the announcements made in the Budget, but we can go further. By that I mean that we need to look at the burden of regulation on small businesses. For example, the Food Standards Agency is looking to increase dramatically the costs on small abattoirs throughout the United Kingdom in relation to food hygiene rules. It is moving towards full cost recovery from abattoirs. That sounds technical, but in a Welsh context that means an increase in cost to small abattoirs in the region of £4.3 million at a time when they are struggling to survive. These regulations cost money for small businesses. Although the fact that we are getting to grips with regulation is welcome, we must go further and faster. I see no reason why profitable businesses in my constituency should be under threat as a result of regulations and the cost of regulation.

We want small businesses to grow in constituencies such as mine. By "small" I mean micro-businesses. One of the issues that we still need to deal with is VAT. I notice from the Red Book that we are increasing the threshold for registration from £70,000 to £73,000, and again, I am delighted that that change is happening, but we need to get to grips with the fact that VAT can be such a throttle on the growth of small businesses. Small start-up businesses reach a turnover threshold of about £68,000 or £70,000, and then those business people have to ask themselves, "Do I grow and, as a result, probably see my profits reduced, or do I decide to stay put?"

When one goes into Llandudno in my constituency and sees cafés and bed-and-breakfast businesses closed for winter, that is not because those people are lazy. They work extremely hard, but because of the VAT threshold, they make a conscious decision to close their businesses over winter, not to grow their businesses. Surely any tax threshold which has that impact on entrepreneurship and on the need to grow must be changed.

8.24 pm

Mr William Bain (Glasgow North East) (Lab): I am pleased to be called to speak in the debate on the Budget resolutions. In January, the Chancellor was fiercely critical of what he called the forces of stagnation holding back economic recovery. With last week's Budget, which fails the test of growth, strips demand from our economy, and hardwires unfairness and higher living costs into our society, he has joined those forces. Rather than being a Budget for growth, it is a Budget that now depends on growth.

If the OBR's growth forecast proves overly optimistic, and the resulting lower tax receipts further impede the Government's ability to encourage growth, what will drive the economy? Before the Budget statement, the

[Mr William Bain]

OBR was expecting total receipts to exceed non-investment spending by 0.3% of national income by 2015-16. It now expects instead a deficit of 0.2% of national income by then. On Thursday afternoon, the Institute for Fiscal Studies at its post-Budget seminar gave its verdict on the Chancellor's failure—his spending cuts will now be even more dramatic than planned in last June's emergency Budget because of surging inflation, cutting 1% deeper over the next four years.

The Chancellor says that only his programme of fiscal consolidation and no other can save the economy from collapse. He talks of the need for confidence in the markets. Emulating Lady Thatcher and Lord Lawson, he tells us that there can be no alternative. But on Thursday morning, the ratings agency Moody's said that a combination of slower growth and lower than forecast tax receipts could endanger the UK's triple A credit rating.

This Budget sees growth downgraded for last year, for this year, and for next year, with the price of the Chancellor's failure on growth being £43.4 billion in extra borrowing, higher debt interest payments to the tune of £17.6 billion between 2010 and 2016, and higher benefit costs of £12.6 billion by the end of this Parliament. The Chancellor's headline measures, such as the 1p cut in fuel duty, were described by the OBR last week as having at best a minimal effect on the stagnant level of growth that his policies are set to deliver.

Given the appalling UK trade deficit recorded in the last quarter, it becomes even clearer what an error the Chancellor committed in slashing investment and capital allowances inherited from the previous Government. Although the Budget contains some small-scale measures such as on the research and development tax credit for small and medium-sized business, and on the enterprise investment scheme, they are no substitute for a comprehensive strategy on supply-side reform.

Many credible voices, both national and international, have warned the Government that taking £81 billion out of public spending, as they propose, is cutting too far and too fast. Higher unemployment, a slump in consumer confidence and lower growth are the likely results. As Paul Krugman, the Nobel prize-winning economist said in *The New York Times* last week, after the Budget the downgrading of the economic forecast plus the upgrading of the deficit forecast is evidence that

"slashing spending in the face of high unemployment is a mistake".

Whereas we should have had a Budget for jobs to reverse soaring youth unemployment now approaching 1 million, we instead had a Budget which directly increases unemployment in each of the next two years by 130,000, and will increase the International Labour Organisation measure of unemployment by 0.5%. The IFS, in its green budget last month, found that Labour's plan to halve the deficit by 2015 would have restored the public finances to sustainable levels. There is an alternative to the Chancellor's raid on the winter fuel payments of pensioners from next winter, when the bonuses of the bankers who exacerbated the economic crisis have been left so feebly undertaxed.

Most feeble of all was how the self-proclaimed greenest Government ever completely failed to fulfil the green

economy's potential to generate growth. As the UN environment programme's report "Towards a Green Economy" concluded recently, green investment "will result in the long run in faster economic growth."

On the green investment bank, there will be no independent borrowing powers until 2015 at the earliest, and again that is dependent on growth not being further downgraded and the national debt falling. There are no green ISAs or green bonds underpinned by the Government to promote small investor participation in the renewables sector.

The Chancellor said that his Budget would put fuel in the tank of the economy, but instead he has put the engine into reverse. He has fired up the Quattro and is taking Britain back all the way to the 1980s. There is inadequate help for the construction sector and no plan for jobs for young people. Our country deserves better than this reckless, deflationary gamble, which is hurting but not working. This is the no-growth Budget from the out-of-touch Chancellor.

8.29 pm

Bob Russell (Colchester) (LD): Until the Labour party acknowledges the problems it left the country and its financial mismanagement, it will never be taken seriously by the British people. The stark reality is that the previous Government took Britain to the brink of bankruptcy—just one more move and we would have been in the same boat as Ireland, Greece and Portugal.

Not everything in the Budget meets with my approval. There are things in it that I wish were not, and things not in it that I wish were. However, it is a Budget of hope, and it is pragmatic after Labour's years of hopelessness. Among the good things is the fact that I am blessed in Colchester with the most incompetent Conservative party in the east of England, which is matched in incompetence only by the local Labour party. Although I welcome the Budget, it will come as no surprise to Members on the Government Benches to hear that, having spent 40 years opposing the Conservatives, I have not changed my spots. The Budget is more Aldi than Waitrose.

Some Members have referred to their constituencies, and I believe that on occasions such as these we need to remind people that national Budgets have local consequences. They affect local pride and civic leadership. In that respect, I want to state with great honour that last Wednesday Colchester borough council voted to apply for city status, a civic honour granted by Her Majesty the Queen under the royal prerogative. The qualifying guidelines for making such an application state:

"Any local authority... which considers that its area deserves to be granted the rare honour of city status on this very special occasion is welcome to enter the competition... The places to be honoured for the Diamond Jubilee should be vibrant, welcoming communities with interesting histories and distinct identities."

On that basis, Colchester ticks every box. It is Britain's oldest recorded town and the first capital of Roman Britain. It is the home of the university of Essex, the most international university in the country, and of which Mr Speaker is a graduate. As a super garrison town, it is also the home of 16 Air Assault Brigade, which is currently serving in Afghanistan. An additional reason why I hope Colchester will become the UK's newest city is the fact that this is being driven from the

ground upwards by an organisation called Destination Colchester, which is bringing together organisations, local businesses and the people of the town. This is the big society in operation.

Among the aspects of the Budget that I am unhappy about are those relating to planning. I urge the Government to look again at the VAT on old buildings, because although converting old buildings to housing is welcome, the 20% VAT levy is a penalty. I hope that they will look at that again. Colleagues will recall that I intervened on the Secretary of State for Communities and Local Government earlier to mention chapter 4 of the coalition programme for government, which relates to communities and local government. The third point states:

"In the longer term, we will radically reform the planning system to give neighbourhoods far more ability to determine the shape of the places in which their inhabitants live, based on the principles set out in the Conservative Party publication *Open Source Planning*."

The sixth point states:

"We will... create a new designation—similar to SSSIs—to protect green areas of particular importance to local communities." I am delighted that the Secretary of State has agreed to visit Colchester to see the fields of west Mile End, which developers want to put under a housing estate of 2,200 dwellings, against all the wishes of the local community.

I will conclude on beer duty, which was an opportunity lost by our Government. I hope that they will look again at the issue, because our towns and cities are troubled by binge drinkers, and one way to address that would be to put up the beer levy by 10p a pint or thereabouts in the supermarkets and the mega-pubs and to reduce it by 10p a pint in our community pubs, traditional pubs and village pubs. In that way, our local communities—the localism aspect of the licensing industry—would receive the boost. At the moment, the supermarkets and the mega-pubs are able to outdo the local, community pubs, and we all know that the consequence is drunkenness in town centres, so I urge the Government to look again to see whether we can have a lower beer levy for our community pubs.

8.35 pm

Dr Alan Whitehead (Southampton, Test) (Lab): This Budget trumpets much about growth, and indeed accompanying it we have a whole White Paper, "*The Plan for Growth*", which claims to set the seal on those aims so loudly trumpeted. In truth, however, the Budget contains very little that, in the real world, stimulates economic activity or, in a time of deficits or depression, shows any sign of moving the economy forward so that the Government can tackle the deficit other than by just cutting everything they can lay their hands on.

That is a conundrum. Unless all those measures are a cynical put-on, the Government obviously believe that they are setting out a path for growth. They have, as a default position on the economy, chosen a particular path that they believe will, if followed, lead to growth. In technical terms, that assumption is called the Ricardian equivalence: the assumption that Government borrowing is essentially deferred taxation; and that, even in a depressed economy, it is important to send out a signal that the Government will not borrow, so that people discount what they had set aside to cope with what they saw as deferred taxation and, instead, invest and spend,

thereby miraculously bringing about growth, deficit reduction and so on. In reality—and in previous depressions—the opposite is usually the public's reaction, but we will pass that by.

Then, the public, once they are cured of the unhealthy habit of holding money back to deal with perceived deferred taxation, must also have regulations and other matters stripped away if they are to invest and spend. Hence it is necessary to pull apart regulations, collapse planning impediments and so on.

This Budget sets out that false premise admirably, although some of the zeal with which it is being pursued is, to say the least, a little alarming, especially as I imagine the Government still believe that growth should be low-carbon growth in order for them to be, as the Prime Minister has stated "the greenest Government ever".

The removal of most housing targets and the new announcement of the removal of any prescribed level of house building on brownfield sites, which I am sure is bad news for the hon. Member for Colchester (Bob Russell) and the fields near his constituency, both follow from the philosophy of pulling down regulation so that the private sector can supposedly rush in to invest where the public sector has withdrawn. That must come as a shock, however, to anyone who believed for example that being the greenest Government ever implied some view about the merits of arbitrarily concreting over at a random cost to the environment and to carbon emissions targets.

Two other planning and investment decisions in the Budget must come as a similar shock. The green investment bank has been downgraded to a "fund" for the foreseeable future, so even the merits of the private sector investing in the bank have been eschewed in favour of its functioning as a bank only, as the Budget papers state,

"once the target for debt to be falling as a percentage of GDP has been met."

In other words, "After all these good people have rushed in and invested to replace the loss of public sector funds, then we might consider some public sector-based funding, even if it is with private money, at a point when the prime need will have passed anyway."

Not the most significant measure, but perhaps the most shocking—indeed, the measure in the smallest print—is the decision to remove the target to require homes to be built on a zero-carbon basis by 2016, as the Government say:

"To ensure that it remains viable to build new houses".

Not green, not worried about quality or longevity—anything goes so long as the theory of Ricardian equivalence is upheld. The Government are also apparently holding discussions with industry to see how the principle of the green deal can be extended to new homes. The code for sustainable buildings has been taken out and shot, and B&Q is now going to come in and put the roof on our houses once they are built. Even if that supposition were to be taken just a little seriously, then the signal that has already been loudly given out that spending is to be cut savagely and that the fear of deferred taxation is no more should have started to bear fruit. However, it has not; and that, among other things, is why the Government have had to downgrade their growth forecast so significantly. Consumer and business confidence has collapsed and stays at a very

[Dr Alan Whitehead]

low point. Unemployment is rising, house prices are uncertain or falling, and we had negative growth in the fourth quarter of last year.

Let me give a palimpsest. In my constituency, virtually all the day centre schemes for the elderly are to close in mid-April because the money has been cut. According to Ricardian equivalence, that is a signal to get these old people on their feet and investing in their own facilities—perhaps a private entrepreneur could come in and invest in a gap in the market—but of course that is not going to happen. Jobs are being lost, old people are staying indoors instead of going out and about, and ill-health among elderly people is likely to increase. In short, it hurts but it certainly will not work. No amount of flannel to disguise what an empty set of propositions this Budget, this plan for growth and this massacre of planning and sensible regulation consists of will pass muster. It really is time for plan B, or at least to start reading rather more sensible economists.

8.41 pm

Harriett Baldwin (West Worcestershire) (Con): I rise to speak in support of my right hon. Friend the Chancellor's historic and pivotal Budget. Today we have heard Conservative Members give examples of what a difficult hand the Chancellor has been dealt in producing a Budget. We have heard about the £120 million a day—£840 million a week—that the Government have to pay in interest. We have heard that interest has, in effect, become one of the biggest Government Departments. That is why it is so important to point out the difference between the deficit and the overall debt. In setting out the path that he did, my right hon. Friend still has to live with the fact that debt will be rising in every year of this Parliament until the last one. That means that the debt interest bill is still growing, despite the tighter economic conditions that he has imposed.

I think I am probably somewhat different from other Members of this House in that I did not aspire to come here when I was a student. Indeed, I managed to survive the first 40 years of my life without it ever crossing my mind that I should stand for Parliament. Shortly after Tony Blair's second election victory in 2001, the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown) gave another historic Budget in which he departed from Conservative spending plans for the first time. At the same time, that Government were beginning to evaluate whether the conditions might be right to enter the euro. Those two horrors were the impetus for me to seek election to this place. I vowed, as a mother, that I wanted to ensure that my children did not grow up in a country that was facing bankruptcy, and yet I failed to get here soon enough to stop the rot. I am therefore very grateful to the Chancellor for having finally set out a path that will enable my children—and one day, I hope, grandchildren—to enjoy opportunities of the kind that I enjoyed when I left university.

Enough of me; I think I should talk about the Budget. I welcome the Budget's focus on growth and the private sector. When the right hon. Member for Morley and Outwood (Ed Balls) was an adviser to the previous Prime Minister, he set out something called a neo-endogenous growth strategy. Again, I realised quite early on that the problem with such a strategy is that

before long the marginal impact of increased Government spending decreases, and one runs out of money. We therefore need to focus on private sector growth, which is why this Budget is so pivotal. A lower tax rate for businesses will bring in higher tax returns.

Mel Stride (Central Devon) (Con): My hon. Friend makes a powerful point about the importance of lowering taxation on businesses to provide growth. Does she agree that the Chancellor was immediately vindicated the next morning, when Sir Martin Sorrell was on the "Today" programme explaining that WPP, the world's largest advertising agency, would consider relocating to the UK as a direct result of the Budget?

Harriett Baldwin: Those sentiments were echoed by businesses in my constituency, where entrepreneurs welcomed and cheered the measures set out in the Budget. I also received a communication from a non-dom in west Worcestershire—I did not think we had one, but we do. He is so pleased with the clarity of the Budget that he is going to bring lots of money in on a remittance basis to invest in businesses in the UK.

I have a couple of questions for those on the Front Bench. I do not think that we can enjoy sustained economic growth until we resolve the problems with our banks. I agree with the hon. Member for Telford (David Wright), who said that Japan suffered from slow growth for many decades because it did not do anything about its banking sector. The sooner we get rid of the state's ownership of so much of the banking sector, the better it will be for the health of the economy.

Given that the Financial Secretary is on the Front Bench, I will take this opportunity to read a passage from the Budget speech:

"from April, we are going to impose a moratorium exempting all businesses employing fewer than 10 people, and all genuine start-ups, from new domestic regulation for the next three years."—*(Official Report, 23 March 2011; Vol. 525, c. 956.)*

I ask the Financial Secretary to raise this point with the Financial Services Authority, which we know is the regulator of many small, independent financial advisers. I suggest that he take this opportunity to suggest that small IFAs employing fewer than 10 people might be exempt from the increased regulation in the retail distribution review.

In conclusion, I believe that this Budget will be seen as historically pivotal, because it will create real jobs, real growth and real prosperity. Such real prosperity can come only from investment in business and from exports. There will be exogenous growth—the exogenous growth of the private sector. I look forward to supporting the Budget in the Lobby tomorrow.

8.47 pm

Mr Clive Betts (Sheffield South East) (Lab): This could be a Budget for growth—reduced growth. A few weeks ago, the Chancellor blamed the snow. Now we have the old chestnut, "When in doubt, blame the planners." There is the idea that everything that is wrong with this country is down to our planning system. I accept that some proposals in "The Plan for Growth" may be helpful. Speeding up the consideration of planning applications is generally beneficial. However, I have four areas of doubt in which I want to urge caution.

First, developers want certainty. Consistently tinkering with the planning system leads to uncertainty and is likely to discourage development. Secondly, good developers want good quality development. If they are concerned that on the site next door to them, tin sheds could go up unrestricted, they will be less likely to put their money into good quality development. The Royal Town Planning Institute has cautioned against a return to tin-shack Britain. Thirdly, not only might more houses be built on greenfield sites; if restrictions are not properly applied to applications, out-of-town superstores might rear their heads again, which would go against the policy of the previous Conservative Government of a "town and district centre first" policy for retail development. Finally, we have had enterprise zones before, and last time each job cost an average of £26,000 of public money. There is concern, which the Secretary of State for Communities and Local Government referred to, about jobs simply being transferred to enterprise zones from other areas. He said that that would be controlled, but it is difficult to see how. It is even more difficult to see how we can control the problem of development that would have been undertaken elsewhere going to an enterprise zone instead, at a cost to public funds.

There is a real housing problem in this country. We can welcome the Firstbuy housing programme that the Government have introduced, although it looks very much like HomeBuy Direct, which they have just abolished, by another name. The real concern is the chronic shortage of housing in this country. We hear that from people in our surgeries such as young couples who cannot buy their first home, people who need social housing and are on the waiting list and people in overcrowded accommodation.

What the Government have done in the Budget has to be considered alongside a 50% cut in money for new social homes in the next four years, and alongside the catastrophic fall in the number of planning applications for new homes that are being approved. There is concern that as individuals' economic circumstances improve in three or four years, as they probably will, when they feel more confident about buying a new home and mortgage availability improves, the houses will not be there to buy because they will have been stopped in the planning system.

We can argue about the abolition of the regional spatial strategies, but it leaves a vacuum behind and there is no evidence at all that the new homes bonus will generate housing development. If it does not, we could be left with a spike in house prices in four or five years' time, which again will price young people out of buying their first home and force more people back on to the social housing waiting list. That is a real concern, and I do not think the Government are beginning to address it.

When people in my constituency look at the Budget, they will be concerned that it does nothing to address the fact that their real wages are falling or that their benefits and pensions are not going up as fast as inflation. They will also be concerned that the Government have done nothing in the Budget to cushion people from the attack on front-line services caused by the cuts to local government spending.

Local government is taking a much bigger hit than Government Departments, and cities in the north, such as Sheffield, are being hit harder than places in the south, such as Dorset. The front-loading of the cuts is

having a real impact. The Secretary of State for Communities and Local Government has said before, "It's all right, because cities like Sheffield are managing better". That is not true, despite the fact that the Deputy Prime Minister has said that it is all okay because Sheffield city council is cutting only 200 jobs. Its own website shows that 731 jobs are to go. As it has a high level of outsourcing, many hundred more jobs in the private, third and voluntary sectors will also be cut.

Voluntary sector organisations such as the south-east Sheffield citizens advice bureau are facing 15% cuts to their budgets this year, nearly twice the level of the cut in the council's funding. That is completely contrary to what the coalition Government said should happen. There are unspecified cuts in the council's budget, such as £1.3 million for library services. The council is not saying which libraries will close, which books will not be bought or which libraries will have their hours reduced. It is achieving its proposals only by reducing balances to what the chief executive has said is a low level at a time of considerable risk.

Sheffield council is facing up to exactly the same problems as other northern cities are facing. Unfortunately, it is choosing to delay its cuts until after the local elections, when either that deferral of the cuts will help win the election, as it hopes, or more likely the problem will be passed on to a new, Labour council. It is hiding the reality of the cuts from the people of Sheffield. In reality, Sheffield council is facing the same funding reductions as councils in similar cities, and will therefore face the same cuts to front-line services and the same loss of jobs, not merely in the public sector but in the private and voluntary sectors. The Budget will do absolutely nothing to address the situation.

8.53 pm

Nadhim Zahawi (Stratford-on-Avon) (Con): As a nation, we borrow almost £150 billion a year. That is £12.5 billion a month, £410 million a day or an incredible £4,745 every second. By the time I sit down, we will have borrowed another £1.7 million. That is the economic reality that we face, and the reason why balancing the books and business growth are so vital to our country. As an entrepreneur and business man I feel that I have some knowledge of what will damage and what will encourage growth in business, and I am delighted to say that the plans set out in the Budget are most certainly of the latter variety.

I ask Members to imagine, if they will, that we are a group of men and women who are considering setting up or expanding a business. Times are tough, but there are now a number of incentives that can help us make up our mind. One of our earliest decisions is where to site our business. In the early stages, we want to make our capital and that of our investors go as far as possible, so we settle on an enterprise zone, where we get up to a 100% discount on business rates, new, superfast broadband and, as a manufacturing firm, access to enhanced capital allowances, giving us relief on investment in plant and machinery.

At the beginning, like many businesses, our budgets are tight and banks are unwilling to lend, so we look to angel investors for support. The enterprise investment scheme offers tax relief to those investors, and thanks to the Budget the income tax relief on an investment has

[Nadhim Zahawi]

been increased from 20% to 30%, and the amount that an individual can invest in our business has been increased by 400%. Those changes will make investing in our business, which is an obviously excellent proposition, even more attractive.

Heather Wheeler (South Derbyshire) (Con): Does my hon. Friend agree that businesses in my constituency will grow because of the reductions in corporation tax in the Budget?

Nadhim Zahawi: My hon. Friend is absolutely right, and I shall come to the effect of corporation tax in a moment.

As a result of the measures in the Budget that I described, our business has raised early stage finance and begun an expansion programme. As a small company, our R and D tax credit will increase from 175% to 200% this April, and to 225% this time next year. That will allow us to invest in products for the future, helping us to carve out a real niche in the market and to sell our products to the rest of the world. That is crucial. In the real world, that helped me and my business, as we evolved YouGov and invested in its future.

Often the smallest things such as changes in regulation, red tape, and complicated tax and health and safety rules greatly affect businesses.

Charlie Elphicke: Does my hon. Friend also welcome the Budget because it represents a vast crackdown on regulation? That will help businesses in Dover and Deal as much as those in his constituency?

Nadhim Zahawi: My hon. Friend is absolutely right. That is exactly what the Budget would do for our imaginary business. Three hundred and fifty million pounds' worth of regulation will be scrapped, the dual discrimination rules in the Equality Act 2010 will be ended, Lord Young's recommendations on health and safety will be enacted, and new business regulations for the smallest business will be stopped. That is a great starter for 10 from the Chancellor.

As my hon. Friend the Member for South Derbyshire (Heather Wheeler) rightly pointed out, our corporation tax has been reduced by 2% this year, and by 2014 we will be paying the lowest corporation tax in the G7—16% lower than in the US. Many say that that is just a tax cut to line the pockets of business owners, but I disagree. Business owners know that every extra £1 paid in corporation tax is £1 less to reinvest in their business to support growth and job creation, which the Labour party seems never to have understood.

Lowering corporation tax is vital in attracting new, overseas business to the UK. Corporation taxes are not the sole attractor, but they and tax certainty are important in attracting overseas investment. The fact that chief executive officers, such as that of WPP, have announced that their companies are coming back to the UK is testament to that, and today's letter in *The Daily Telegraph* from the leading private equity houses reiterates the point.

Let us go back to our little business, which is growing, employing more people, and making more and selling more to the world. However, the cost of fuel is hurting

us, and we watch our costs and those of our suppliers increase with transport costs. Luckily, the Government are listening. They feel our pain, and decide to deal with the high petrol price. Under the previous Government, our fuel duty would have shot up by 6p in three days' time. After all, by the end of their 13 years in power, 75% of the cost of fuel was taxation.

For the employees of our company, the 45p per mile allowance is another huge milestone. The allowance has been 40p for so long that most young people in work cannot remember it ever increasing. That amount was out of step with economic reality. This increase not only makes sense, but is vital for those in business who use their own vehicles, and is particularly helpful to the self-employed. It also, by the way, helps voluntary organisations such as Voluntary Action Stratford-on-Avon, whose volunteer drivers provide such an excellent service.

I return to our little business. What happens if we are successful, and if through our hard work and entrepreneurship it grows, and another business wants to buy us, or we want to float our company? Thanks to the Budget, our capital gains tax relief for entrepreneurs has been doubled to £10 million, increasing the reward for our hard work and investment, and encouraging more individuals to invest in their own business. As you can see, Mr Deputy Speaker, our hypothetical company, like millions of real-world start-ups, will have been aided by the announcements in this Budget. It is a Budget for growth, and through it many start-ups and small firms will get a fighting chance to be a great success. I commend the Budget.

9 pm

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I want to declare an interest. From 2004 to 2010, I worked for a regulator—the bogeyman of Conservative Members. I worked for Ofcom. Working in that area, I was very aware of the dangers and limitations of regulation. However, I am also influenced by my time spent in the private sector in countries that have little or no regulation. It would make for an interesting reality show-type experiment to take Conservative Members who decry all regulation and place them in an entirely unregulated environment to see how they would fare without established property law, civil protection, guaranteed quality standards, working rights, planning control or health and safety.

But enough fantasy. I want to focus on why we need better regulation and the role of regulation in growth. All Governments promise to reduce regulation. I am quite sure that every Byzantine emperor came to power on a platform of less regulation. When Labour was elected in 1997, one of the first things we did was set up the Better Regulation Task Force, and later the Regulatory Enforcement and Sanctions Act 2008 put in place a requirement to remove unnecessary regulation. However, regulation often has unforeseen consequences or is interpreted in bureaucratic and inflexible ways. The solution is not to call for a war on all regulation, but to examine existing regulation imaginatively and to ensure that more public servants have experience of business.

Having worked for a UK regulator with European regulators, I know that we often translate into English law and then interpret European directives in ways that are much less flexible and more burdensome than those

in other countries. I welcome evidence-based proposals, therefore, to reduce and/or improve regulation. The improvements to clinical trial regulations proposed in the Budget should lead to better regulation, which is good for business and innovation. However, the sleight of hand by which the Government have delayed green building regulations will actually add to the uncertainty in the building industry and reduce our energy efficiency.

We should not forget that the financial crisis would have been even worse had Labour heeded Tory calls for more deregulation of the City. As the shadow Chancellor has said, we should have been tougher with the City, but the Conservative party was certainly not calling for more regulation in that case. Since coming to power, the Department for Business, Innovation and Skills—the self-styled department for growth—has introduced 26 new regulations in six months, of which several will impose a burden and substantial costs on businesses.

The Government's repeated calls for reduced regulation are yet another example of their rhetoric exceeding their reach. We know that the Government are recklessly cutting too far and too fast, but they are also entirely failing in leadership. Labour believed that the Government had a duty not to pick technology winners, but to deliver the coherent business, academic and political environment in which the best can win.

Recently I visited a small but growing, innovative high-tech manufacturing company, Kromek, which is developing colour X-rays for security applications. It is based in NETPark—the North East Technology Park—in County Durham, a business park supported by the RDA and the local authority. However, the company is finding it hard to get the talent that it needs, because of the Tory Government's visa policies—an example of new regulation preventing growth. As the north-east chamber of commerce recently said:

"Since the Government came to power, business have seen the reversal of plans to recycle Carbon Reduction Commitment revenues; the Feed-In Tariff capped; and a delay to the expected start date of the Renewable Heat Incentive. These changes are delaying investment in low carbon technology."

That regulatory uncertainty means jobs being lost in new industries, including in the north-east. As NESTA—the National Endowment for Science, Technology and the Arts—said when discussing regulation:

"Removing barriers to innovation is important, but on its own it is not enough. Innovation happens in an ecosystem and Government has a role to play in constructing that environment."

To conclude, rebalancing and growing our economy requires vision, leadership, regulatory imagination, coherent policies and targeted investment. This Government are offering up a few regulatory sacrificial lambs to distract from the vacuum at the heart of their strategy for growth:

9.6 pm

Eric Ollerenshaw (Lancaster and Fleetwood) (Con): I am grateful to follow the hon. Member for Newcastle upon Tyne Central (Chi Onwurah), who was trying to make some positive comments about regulation, as was the hon. Member for Sheffield South East (Mr Betts), who spoke previously. Unfortunately, however, what we have heard from the majority of Opposition Members is this line about how we are cutting too far, too fast. It would really help their presentation to the country, including my electorate—or at least their presentation

to us—if they said which cuts they would be prepared to tolerate, because to my electors their position just sounds bogus and false. The Opposition have lost the argument about how we got into this problem, but it would be really useful in the argument about how far we cut to know their position. I can say from my attendance in the Chamber that they have opposed every one of the Government's proposed cuts. We would therefore love to hear one or two suggestions from the Opposition about where they would be by now.

Like most Members, I suppose, I spent the weekend trying to find out what constituents really feel about this Budget, on the political proviso that we should be careful on the first day, and then see how it sinks in on the following days. We are now five days in, and if I can sum up the general view by quoting one of my electors, he said of the Chancellor—in true Lancashire fashion, of course—that he did not think that the lad had done too badly, given the poor hand that he had been dealt. I have found that to be pretty much the general impression.

As for growth, my hon. Friend the Member for Stratford-on-Avon (Nadhim Zahawi) is absolutely right. Indeed, the north and western Lancashire chamber of commerce has said:

"Overall there is a lot in this Budget for Business,"

and specifically mentioned the corporation tax reduction and cuts in fuel duty. From the workings-out that I have seen, the Federation of Small Businesses gives the Chancellor eight and a half out of 10, welcoming the measures on fuel duty, the fair fuel stabiliser, apprenticeships, deregulation, enterprise zones and small business rate relief, and the doubling of entrepreneurs' relief and the increase in the R and D tax credit for SMEs.

In the few minutes remaining, I want to pick up on something that my hon. Friend the Economic Secretary said last week when she talked about regional imbalances. Anyone who goes to the Fleetwood end of my constituency and asks people there what their view is of economic policy over the last 13 years, would simply be told that Fleetwood had been forgotten—a port now without a ferry service; a train line without a train on it. Yet behind all that—to return to the point made by the hon. Member for Newcastle upon Tyne Central—all that small businesses talk about are the regulations that prevent them from taking on more people. I have food processors in my constituency that export all over the world, but they are trapped by regulation. They want to take on more apprentices, and they hope that something will come from the measures in the Budget.

The interesting thing about Labour policy on the regional imbalance over the last 18 years is this. The Office for National Statistics uses a measurement called gross value added, which measures the contribution to the economy of each individual producer, industry and sector. It showed that there was decline in the north every year for the past 13 years as growth in London and the south-east increased. Lancashire's rate of decline was twice that of the whole of the north over the past 13 years. The figures are consistent for every single year.

What has gone wrong? My right hon. Friend the Secretary of State for Communities and Local Government has suggested that the regional development agencies were not working, and I support that view. I sat on the board of the London Development Agency for four years. I have to be careful what I say, because I see my

[Eric Ollerenshaw]

hon. Friend the Member for Ealing Central and Acton (Angie Bray) in the Chamber, and she was instrumental in getting me on to that board as the lone Conservative. But why did London need such an agency in the first place? It had all the bureaucracy and office-led systems of any other development agency. It also claimed that every person employed across the whole of London was employed as a result of its actions. I could never quite make that connection, because I thought that perhaps the City of London Corporation and the development in the docklands might also have had something to do with people coming to London.

There is a general view in my part of the world that people in London think that the north-west begins and ends with Greater Manchester and Merseyside. I am therefore not surprised that each of those areas is to have one of the new enterprise zones, but I hope that Ministers are listening and will perhaps decide that there will be room for one of the 21 zones announced in the Budget in part of Lancashire.

During my four years on the board of the London Development Agency, I learned that, while it is possible to spend money on all kinds training schemes, as the Opposition have proposed, infrastructure is the key. This Government have made a commitment to major transport improvements. I also hope that the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Bromley and Chislehurst (Robert Neill) will look into the proposal in the Liberal manifesto for regional stock exchanges. Given the problems with banks and investment, they might encourage greater investment by local people in local businesses. The Chancellor should look into that. A great practical step forward would be the announcement of a Lancashire-wide stock exchange based in Lancaster.

9.12 pm

Nic Dakin (Scunthorpe) (Lab): It is always a pleasure to follow the hon. Member for Lancaster and Fleetwood (Eric Ollerenshaw), and I will try to respond to his challenges.

The Budget statement treads water while this reckless Government cut too fast and too deep. While the Deputy Prime Minister confides that there will be nothing for him to disagree with the Prime Minister about in future television debates, the nation suffers. Indeed, the nation is bracing itself for worse to come. I was proud to join more than 250,000 honest Britons on the march for the alternative on Saturday. That was the big society in action, rising up to say no thank you to the Government, and I am happy to spell out what the alternative is. Strangely, it is the very alternative that the British people voted for last May. Let us be clear: no individual party won the 2010 election. The British people essentially said, "A plague on all your houses." One thing is certain, however: they roundly rejected the Conservative argument that there was a need to clear the deficit in double-quick time over four years. That argument was well put by the Tory party and the Tory media, but the British people gave it a resounding no. Instead, more people voted for candidates who argued that the deficit needed to be reduced more carefully and more slowly.

As someone who has run an organisation employing more than 250 people, I well know the difference between

making cuts of, say, 8% and 16%. Chief constables said that they could manage a cut of up to 12%, but that anything greater would harm front-line services. The front-loading of cuts in public expenditure will also make the situation far worse. There are many of us in the Chamber who have run real organisations in the real world, and we know that savings can be more intelligently and better made when they are properly planned and actioned over time. There is a massive difference between the quantum of the service reductions being recklessly driven forward by this Government and the approach that Labour has argued for.

Alongside cuts in spending and tax increases, there is a need for growth to address the deficit. The Government's plan for growth is this vacuous document, and in its four-point plan, it is silent on how to stimulate the biggest driver for growth—demand. That is not surprising as the actions of this Government have been to mactete demand. With consumer confidence in free-fall, unemployment rising exponentially and inflation fuelled by a VAT hike, living standards are being eroded and the economy is contracting. All this is before the cuts in public expenditure hit next month and we see record job losses in the public sector and the lowering of demand for goods and services in the private sector. It is not, I am afraid, a pretty picture.

Charlie Elphicke: I have been listening carefully to the hon. Gentleman's argument. I am unable yet, however, to understand or hear what alternative he suggests. Will he tell us what his alternative is?

Nic Dakin: The alternative is to go much more slowly and much more carefully so that things can be managed out there in the real world. [Interruption.] I am sorry that Conservative Members just do not understand the difference between double and half. They simply do not understand it, but perhaps that will get through to them over time.

Nadhim Zahawi rose—

Nic Dakin: I turn to deal with aspects of regulation and economic reform.

Several hon. Members rose—

Nic Dakin: I am not giving way, as other Members want to speak.

Let me welcome the decision to defer the fuel duty rise in line with what Labour called for. It is disappointing, however, that the rise in VAT on fuel means that even allowing for a 1p reduction, people still have to pay 2p more a litre.

There is potential merit in the incentives for further charitable giving, but these are limited in their scope. I hope that the Government will examine carefully the proposals brought forward, with strong cross-party support, in my recent ten-minute rule Bill. It is designed to ensure that charities taking over the delivery of services from the NHS—for hospice care, for example—are treated in the same way as the NHS in respect of the application of VAT to non-business supplies.

The Budget's proposals to increase support for technical innovation and research and development are movements in the right direction, as are the faltering steps forward for the green investment bank. However, I am disappointed not to see greater emphasis placed on ensuring that

future investment in energy infrastructure will be carried out and supplied by UK-based companies. Such an approach would support the sort of renaissance that is needed in steel-based manufacturing supply chains.

I am further concerned about the introduction of the carbon floor pricing. It is not only steel manufacturers such as Tata in my Scunthorpe county constituency that are sceptical, but organisations like Greenpeace, which said:

"The carbon floor price will put up bills, deliver a windfall profit for existing nuclear power stations and yet it won't drive investment into clean energy and improved efficiency. It's not so much a green tax as a stealth tax and it's exactly the kind of measure that gives green levies a bad name."

The proposals on planning law are confusing when set alongside the direction outlined in the Localism Bill. At first glance, these are Janus-like policies, pointing in two directions. As the hon. Member for Mid Dorset and North Poole (Annette Brooke) pointed out, they present mixed messages to an already confused world.

Finally, there is nothing in this Budget to support getting young people into work and much to create greater worklessness. The investment in apprenticeships is to be welcomed, but the key issue around apprenticeships is not student demand—there is plenty of student demand out there—but employer supply. As the Federation of Small Businesses says, small businesses

"are willing to take on apprenticeships given the right incentives."

This remains sadly unclear. There was also disappointment that the Government had chosen not to extend the graduate internship scheme.

To conclude, this is a Budget that disappoints rather than inspires. It leaves the UK economy charging pell-mell in the wrong direction. It is a helter-skelter ride of falling demand, rising joblessness and falling living standards. I hope the Government will listen to the people, take stock and pause—before it is too late.

9.19 pm

Paul Uppal (Wolverhampton South West) (Con): I thank all Members for the speeches that they have made this evening. We have heard a bit of knockabout and a few partisan comments, and of course that is all good fun in the Chamber, but I want to shed some light on the issue. I want to draw attention to the writings of one Hamish McRae, the economics correspondent of *The Independent*—a newspaper which, if truth be told, has not always expressed a favourable opinion of Conservative Members.

From about 2005 onwards, Hamish McRae's weekly columns highlighted the fact that the then Chancellor was quoting his famous golden economic rules less frequently, until he eventually stopped referring to them, in much the same way as he stopped using the word "prudence". In later years, Mr McRae pointed out that the Chancellor had continued to borrow money even when tax receipts were fairly plentiful. Despite Tony Blair's best efforts to stress economic credibility and use the term "prudence" from the beginning of the last decade, the Labour Government abandoned Conservative spending plans and resorted to type, which meant spending money. Labour Members cannot help it: in the end, they always think that they can cure society's ills and promote social mobility by throwing money at a problem.

The present Government have produced a pro-growth and pro-aspiration Budget. First and most important, it outlines a strategy for growth, a strategy for reducing the national debt, and a strategy for continuing to restore confidence in our once broken economy. We must never shy away from supporting businesses by offering competitive levels of taxation, and we in the House of Commons must send out the message that the country is once again open for business.

Over the last decade, many high-profile companies have left the UK to escape our complicated tax system and our higher than average rate of corporation tax. Given the increased mobility of capital and people, Britain must be an attractive place in which to work and live. We must be a beacon for investment from around the world and the jobs that it will bring. With this Budget, we can once again start to attract the kind of investment that the country needs. Britain must be able to compete to attract the brightest and the best, and enterprise zones, lower corporation tax and other measures outlined in the Budget will achieve that.

I am proud to be able to speak about what I feel is the most important part of the Budget, the part that deals with enterprise zones. I know that the black country has already been allocated an enterprise zone, and I am delighted that the Chancellor has made that decision. I have in mind Wolverhampton and my constituency of Wolverhampton South West when I say that I hope and believe that the reintroduction of enterprise zones will offer the black country an opportunity to rebalance the regional economy and provide the building blocks for future prosperity in areas that have missed out on capital spending projects over the last decade. I grew up in the shadow of Merry Hill. I remember the original site, and I saw with my own eyes the power of ambition and aspiration being tangibly enhanced as the buildings rose up in a sea of regeneration.

The recovery must be led by the private sector, and the Budget outlines how we will be able to achieve that. The growth of small businesses employing a handful of people will be central to our future economic prosperity. They are the engines of our economy, employing 60% of the private sector work force and contributing half the United Kingdom's annual turnover. Lower taxation, planning simplification and less bureaucracy will provide an ideal cocktail of measures to kick-start local economies and encourage the growth of that vital sector.

Let me end by briefly discussing another of Labour's legacies. Labour created an environment in which young people feel unable or unwilling to take the first steps in creating their own businesses. On Friday I visited a number of sixth-form politics and economics students. When they were asked whether they wanted to set up their own businesses, none of them said that they did. I was struck by their reaction, which suggested that future generations would not be inspired to go out into the world of business. Indeed, that supports the finding of commissioned research that 50% of young people do not feel that they are encouraged at school to be entrepreneurial. Changing that culture is vital to our economic future. Children in our education system need to be challenged and encouraged to take employment into their own hands. We need to invest in and develop talented young people, supporting them in the first steps on the difficult journey towards creating their own businesses and ultimately becoming successful.

[Paul Uppal]

Perhaps more pernicious is the Opposition's determination to play politics and present the most draconian picture of the responsibility measures taken by the Government. Indeed, the Leader of the Opposition compared the demonstration on Saturday to the struggle for civil rights and the suffragettes. In 2009-2010 Government spending was £669 billion; by 2014-15 it will be £647 billion, a few percentage points leaner. Even more tellingly, in 1999-2000 it was £343 billion, and had it followed inflation, it would have been £438 billion by 2009-2010. In fact, expenditure increased by over 50% in real terms during the current decade. Labour just cannot help itself: it will always be in its DNA to spend other people's money. Thank goodness we on this side of the House are implementing measures to return the country to good economic governance and responsible spending.

9.25 pm

Kerry McCarthy (Bristol East) (Lab): The Government have had to face up to two challenges in this Budget. The first was to do with growth, on which the news presented to the Chancellor as he drew up his Budget was not good. The UK economy shrank by 0.6% in the last quarter and the Office for Budget Responsibility was forced to revise downwards its growth forecast for the next two years. Unemployment is more than 2.5 million, a 17-year high, and is rising rapidly, and again the OBR has had to raise its forecast. The Chancellor must know in his heart of hearts that it is simply not possible to reduce the deficit while the economy is shrinking, tax revenues are falling and the number of unemployed people is rising.

Angie Bray: Will the hon. Lady give way?

Kerry McCarthy: I am afraid I do not have time, as I want others to be able to speak.

Instead of listening to the mounting evidence that the plan is not working and preparing a fiscal plan B, the Chancellor is not for turning. He has stuck to his plan of cutting too far and too fast, and instead of a plan for growth that would create jobs, he has gone back to the failed Thatcherite ideology of the '80s—that by simply removing regulations and lowering taxes, the private sector will rush in and save the day.

I welcome the announcement of a local enterprise zone for Bristol, of course—this Government have so little to offer us that we have to grab what we are given—but how long will it be before we see the benefits of such a move, and how will we ensure that this does not simply displace investment from other areas that need it just as much? The Work Foundation says that up to four fifths of the jobs created by enterprise zones in the 1980s were merely shifted from other areas. It also says the cost of creating such jobs was in today's money £26,000 per person. We should compare that with the £6,500 cost per job created under the future jobs fund, which, as I recall, not very long ago the Conservatives were decrying as a waste of public money.

With the regional development agency axed, where is the strategic overview for the wider city region of Bristol to come from? Where are the sources of match funding? Where is the focus on, or funding for, our infrastructure needs? On infrastructure, may I once again make a plea

for an integrated transport authority for the Bristol area, as that is badly needed? On housing, I agree with the National Housing Federation, whose representative said:

"Removing regional spatial strategies, without putting anything in their place, was a short-term mistake".

The NHF has estimated that local authorities have already scrapped plans for more than 200,000 homes as a result of that, and that there may be no new social homes built until 2015. In Bristol alone, 9,600 planned homes were scrapped by the city council. Shelter says that only 39% of housing need is met in Bristol. Last year, about 10,500 people were on the waiting list for social housing, and with transfers included, the number was as high as 15,000, but only a few thousand people a year are being rehoused. There is a clear need for a strategic level of planning to ensure that local need is met.

The Government now promise a presumption in favour of sustainable development in the planning system, but neither that nor the promised national planning framework were set down in the Localism Bill, and that presumption would appear to be at odds with the Localism Bill itself, which gives nimby power to small sections of a community to block developments in a local area. It is therefore unclear whether or not local people have been given more say over planning decisions in their area.

I welcome the Budget's proposal to speed up major planning decisions. Developers in Bristol have in the past complained to me that it takes a long time—years sometimes—to get approval for their big projects and that it is simply not financially viable to hang on in there and wait. I accept that the planning authorities do need a rocket put under them, but that must not lead to decisions being railroaded through without local people being given a proper say.

The second challenge the Chancellor faced in his Budget was to deliver help for ordinary people, and again he comprehensively failed. The economic crisis began in the financial sector, but ordinary working families are paying the highest price for it. The cost of living is now rising by over 5% per year on the retail price index measure. That is in no small part due to the Government's decision to raise VAT. Meanwhile, average wages grow at just 2.3%.

At the same time, cuts to services are also affecting the quality of life of ordinary people. Councils are grappling with cuts to their formula grant of 28% over four years. The Communities Secretary said that councils should be able to find efficiency savings rather than make front-line cuts, and the Deputy Prime Minister said that

"they shouldn't immediately start issuing redundancy notices for savings that they can phase in over four years",

but the Local Government Association believes councils will make 140,000 redundancies next year across the UK, and the Liberal Democrat-controlled Bristol city council is making 340 people redundant next year alone, and it is reported that 600 jobs are now under review. The Communities Secretary told councillors last year:

"You are now in charge of something like £38 billion every year, no strings attached."

He also said that they were back

"in charge of the decisions which matter",

but in fact the only decision that councillors are now empowered to make is the decision to slash services on which local people rely.

The Chancellor could have chosen to implement a real strategy for growth by keeping people in work, building homes and infrastructure, and investing in businesses and industry. Instead he is cutting too far, too fast, and his Government have removed the strategic mechanisms for delivering the investment we think is needed. Even staying within his fiscal plans he could have chosen to put a greater share of the tax burden on the banks by reintroducing the bankers bonus tax. That money could have been used to create jobs and homes, as we suggested. He could have chosen to smooth the cuts to local authority budgets and protect the most vulnerable groups from sudden front-line reductions, rather than front-loading the cuts. The Chancellor is not listening. I predict that in time he will wish that he had.

9.31 pm

Andrew Bridgen (North West Leicestershire) (Con): I welcome this Budget as the first step in a much overdue reform of our economy and our tax system. It is not a sustainable position to expect the private sector, at 50% of the economy, to support itself and the other 50%, which is the public sector. The rebalancing of our economy is not a nice optional extra or a Government whim: it is absolutely essential to our country's current and future economic survival in an increasingly competitive world. It will be by promoting enterprise that we grow our way out of the disastrous position left behind by the last Labour Government and their debt-fuelled economic model, which has been proven to be totally unsustainable. They borrowed even in the boom years of 1997 to 2004, when the national debt rose by an eye-watering £74.9 billion.

I welcome the announcement of the extra 1% cut in corporation tax to 26% this year, making it the lowest corporation tax rate in the G7, which is accompanied by commitments to reduce corporation tax further in future years. That positive move will let international businesses know that Britain is truly open for business. In addition, there are many signposts that if someone is prepared to take risks to generate wealth and pay taxes, the rewards will be worth while. The doubling of the size of the entrepreneur's relief, for instance, ensures that if someone creates wealth and employment, they will not be overly punished by the taxman when they exit their business.

Other measures taken in this Budget are a welcome start on the road to regulatory reform and will be of encouragement to employers in my constituency and across the country, especially those with fewer than 10 employees—90% of the businesses in this country fall into that category. The announcements on incentives for charitable giving and the rise in personal allowances should be welcomed and supported by Members on both sides of the House.

I also welcome the announcement that the 50p tax rate is to be reviewed by Her Majesty's Revenue and Customs, and the revenue raised from the new rate calculated. I have written at length about the damage the measure has done to our economy. Hon. Members will recall that when Nigel Lawson cut the top rate of tax from 60p to 40p in 1988, the tax take rose and the top earners actually paid a larger share of it. When the

Treasury recently decided to set the rate of capital gains tax at 28%, it stated that studies it had conducted concluded that this was the rate that maximised the tax take. If that is correct and the optimum rate for unearned income is about 28%, it is very unlikely that the optimum top rate of income tax should be nearly double that level. I look forward to the report in due course.

On a personal basis, on behalf of North West Leicestershire, I very much welcome the news that the per plane tax plan is to be dropped. East Midlands airport is in my constituency and the jobs dependent on both the airport and air distribution are a significant part of my district's economy and employment base. There is nothing more international than air transport and if we had acted alone with the per plane tax, those jobs would have been threatened. Cuts in fuel duty are also particularly welcome for North West Leicestershire, as one in three of our private sector jobs are either in distribution or distribution-related.

I believe the Budget will act as a signpost that the Government will take action to reform our taxation system and our economy. Labour left our economy in a totally unsustainable state—imbalanced in so many ways, whether that meant the proportion of the economy made up by the public sector, our decline in manufacturing or our reliance, or over-reliance, on financial services and housing bubbles. There is no doubt that Labour's economic model was and still is unsustainable. The attitude of the Opposition to the record deficit they bequeathed the coalition Government is both startling and opportunistic. In opposing all the coalition Government's saving reductions but still claiming to be in favour of deficit reduction, they are failing to act in their duty of being a credible Opposition on this topic.

This is a good Budget for growth, a good Budget for jobs and a good Budget for North West Leicestershire, and I support it enthusiastically.

9.36 pm

Sheila Gillmore (Edinburgh East) (Lab): A very interesting thing happened in my city in 2009. For the first time since the 1960s, the number of affordable rented homes built exceeded the number of private homes—55% of all new build was affordable rented homes, subsidised by public spending. That subsidy helped the private builders who otherwise would have had to shut up shop for a while—as many have had to do—and meant that some at least could stay in work, and that gave work to the skilled work force who would otherwise be sitting at home watching daytime television because there was no work. When those people are at work they are contributing to our economy and paying taxes—[Interruption.] I do not know why that is so funny for people who want to reduce the deficit, because if people are paying taxes in, that is far better than their simply taking benefits out.

That was a good thing. It showed the weakness of the private sector, however, that it was affordable rented homes that had to be built in the numbers to keep some people in work. I look out from my constituency office at a regeneration scheme that has stalled because the private sector is not leaping in to build new homes and to bring offices or any other kind of business into the area. I look out on land. There is no shortage of land, but there is a shortage of investment to make all this development happen. We ought to invest in housing

[Sheila Gilmore]

and build a real shared equity scheme, rather than providing a meagre amount of money that will be available for only one year, as we learn if we read the detail. The scheme is not sustainable: for one year there will be £250 million.

Shared equity has certainly helped to keep the house market going in my city—it is very important—but it needs subsidy. What is wrong is the constant juxtaposition of the private and public sector as though they are at war. In fact, the two are constantly interrelated.

George Freeman: Will the hon. Lady give way?

Sheila Gilmore: No, I will not.

The private and public sectors are constantly interrelated, because public sector stimulus has kept the economy going since the recession began.

History has been rewritten, and I find it deeply perplexing and upsetting that the Liberals have been prepared to be complicit in that. I am not surprised that the hon. Member for Colchester (Bob Russell) took us along the byways of Colchester becoming a city, because it was a diversionary tactic. He did not want to talk about his party's real economic policy. It reminded me of when I was working from home—suddenly, cleaning the kitchen became quite attractive because I could not settle down to do the work that required a bit more effort. That is what is happening with a party that went into the election telling people that it would be downright dangerous to cut public spending too quickly. That is not just some sort of Labour notion, as the Conservatives seem to think. It was the policy of two of the parties that went into the election and that, together, won a majority of public support. It is not true that the public supported the financial disaster that the Conservatives are now wishing on us.

I said in a previous finance debate that the proof would be in the outcomes and that if the Conservative party was right and economic growth was driven by their policies, I would concede that, but so far we are seeing nothing of the sort. Our position would not be too far, too fast—

Mr Speaker: Order.

9.40 pm

Chris Leslie (Nottingham East) (Lab/Co-op): My hon. Friend the Member for Edinburgh East (Sheila Gilmore) was making her point so well, and I commend her analysis of this Budget, as well as those of my hon. Friend the Member for Coventry South (Mr Cunningham), my right hon. Friend the Member for Wythenshawe and Sale East (Paul Goggins) and my hon. Friends the Members for Liverpool, Wavertree (Luciana Berger), for Newcastle upon Tyne Central (Chi Onwurah) and for Telford (David Wright), among others. They all made the point that it is a no-growth Budget that is hurting many people and that certainly will not help our economy in the years ahead.

We do not have to look far to see the cracks emerging. Setting aside the scepticism that some might have had about the Office for Budget Responsibility, a cursory flick through its detailed analysis shows that the Budget

has had a dilatory effect on our economy. The first line of chapter 3 on page 31 of its report cites a squeeze on household disposable incomes in the coming months weakening consumer spending growth. The OBR states on the same page that

"we have revised down our central forecast for economic growth in 2011 from 2.1 per cent to 1.7 per cent."

as my hon. Friend the Member for Southampton, Test (Dr Whitehead) has pointed out. Page 53 of the report says that real household incomes will "fall further in 2011", and page 54 states:

"We have revised down our forecast for consumption growth...from 1.3 per cent to 0.6 per cent".

Page 62 tells us that the medium-term forecast for exports needs to be revised downwards and page 72 states:

"We expect unemployment to rise over the next few quarters," with unemployment 80,000 higher in 2012. On page 75, the OBR downgrades forecasts for average earnings and output growth and on page 76 it tells us that aggregate wages and salaries will be

"around 1 per cent lower by 2015-16 than expected"—

and on and on it goes.

Economic growth matters, but that simple fact is lost on the Chancellor. I asked the Library about the cost to the Exchequer of that infamous quarter 4 reduction in economic growth in the last few months of 2010 when the economy shrank by 0.6%. It estimated that that reduction has caused a £3 billion reduction in Treasury revenues—£3 billion that might have been anticipated in revenue if performance in quarter 4 had been anything like that in quarter 3. That significant sum would have been enough to offset the need for the freeze in child benefit or the cuts in capital allowances for business investment that the Chancellor announced.

There is a symmetrical irony in that the OBR says, on page 125 of the report, that an

"increase in the claimant count"

will lead to "higher benefit payments" in 2012-13. As my hon. Friends the Members for Bishop Auckland (Helen Goodman) and for Glasgow North East (Mr Bain) have pointed out, the OBR has forecast an increase in social security costs of

"approximately £3 billion per year from 2012-13 onwards".

When economic growth is driven down and unemployment is increased, those costs and the deficit are both going to be increased, as the eminent economist Paul Krugman has pointed out this week. This obsession with deficit reduction to the exclusion of all else—this fetishism—is a very narrow view of the world and ignores the impact that the Government's belligerent strategy is having on the real economy.

The other document that was published with the Budget, "The Plan for Growth", has also failed to convince anyone that the Government understand the importance of the real economy. The OBR's reaction to the policy measures, when it had totted up all the Chancellor's announcements, was that

"we do not believe there is strong enough evidence to raise our trend growth assumption".

That is its response to the measures in the growth plan. As my hon. Friend the Member for Scunthorpe (Nic Dakin) so eloquently put it, the Government have taken a

machete to growth—that is exactly what has happened. Their growth plan is riddled with confusion, fudge and contradictions.

Enterprise zones sound interesting at face value, but when they were tried in the 1980s they took jobs from surrounding areas. My hon. Friends the Members for Blyth Valley (Mr Campbell) and for Oldham East and Saddleworth (Debbie Abrahams) tried to be as optimistic as they could when looking at those enterprise zones, but we have seen that the Government give with one hand and take away so much more with the other. Any improvements to capital allowances on the margins are taken away by a factor of 10, with the cuts in capital allowances of £5 billion announced for the next five years.

There are in the growth plan allusions to weakening employee rights, as though that is the avenue we have to go down to boost growth. There is an allusion to clarity on the national minimum wage. We will have to see where that goes. There is opposition to improvements in maternity and paternity rights—typical Tory fare. There are some interesting vignettes on legal reforms that the Government want to make. For example, injured parties will have to deduct their legal costs from their compensation, instead of those costs falling on the negligent party. The Government want fewer food safety inspections at takeaways, as some hon. Members mentioned this evening.

There are references to abolishing money-laundering regulations and reducing corporate accounting, but hold the front page! Many people may not have got as far as page 121, where the Government say—this is absolutely serious—that they will review the Outer Space Act 1986. Presumably they will give us a clue what planet they are living on. One assumes it is planet Redwood, but who knows?

As we can see from the discussion that we have had today, the cuts have been significant and they are having an effect on the real economy. We can see that the unprecedented reductions in local government expenditure will harm local economies. My hon. Friend the Member for Sheffield South East (Mr Betts) mentioned that 737 jobs are being lost in Sheffield alone. The Government are facing both ways when it comes to local government reform. The set of proposals in the Localism Bill is hardly deregulatory, with 142 order-making powers. The Government are facing both ways on business rates. They promise local freedoms to councillors, but when businesses object, they say, "We will have national certainty when it comes to business rates."

There is a looming crisis in residential housing and property finance. On planning policy, as my hon. Friend the Member for Sheffield South East said, so much for localism, when the Government's clear expectation is "that the default answer to development is 'yes'".

We will see how far localism goes in each of the constituencies of those on the Government Benches.

My hon. Friend the Member for Bristol East (Kerry McCarthy) pointed out that although the planning process needs to be speeded up, the supposed guarantee of a 12-month closure, including the appeal, is incongruent with the 35% cut in the planning inspectorate's budget—35%. We will see whether the Government can live up to that guarantee. They are abolishing the Infrastructure Planning Commission, but they will have to recreate a major infrastructure planning unit within the planning

inspectorate. They say they will get rid of top-down guidance, but the growth plan refers to five new national guidelines.

It must be recognised that there are significant problems with the Budget, one of which is the risk of a lost generation of young people. Youth unemployment is up 30,000 in the first quarter of this year to just under 1 million claimants between the ages of 16 and 24, the highest since comparable records began in 1992. We know that in the 1980s—the Secretary of State for Communities and Local Government has joined us as a shibboleth for that era—the Government neglected the risk of unemployment. We know the story.

Now, again, a younger generation is forgotten by the Government. Young people are losing their education maintenance allowances, their tuition fees are being trebled to £9,000 per year if they go to university, and opportunities to get into work or on to the career ladder will be rare. There is insufficient emphasis in the Budget on work experience and apprenticeships. The Government should have repeated the bank bonus levy that we implemented last year to raise resources to target job creation, but no; instead, they have scrapped the guarantee of apprenticeship places for 16 to 18-year-olds—a massive backward step.

What hope do young people have of getting on the housing ladder with the rather puny Firstbuy scheme, which Shelter says will help less than 1% of first-time buyers? As my hon. Friend the Member for Sheffield South East mentioned, there is a 50% cut in the new social homes construction budget. On top of that there are cuts to housing benefit. Even on pensions, young people are penalised should they dare to want to save for the long term. The Government assume that they can get away with pulling the rug from under young people, perhaps because they do not vote, but the mood is changing across the country. There is a profound sense of unfairness in cutting young people adrift. It is foolish economics to consign a generation to poorer prospects and less prosperity than their parents enjoyed. The Budget's adverse impact on young people will penalise and alienate those in their teens and 20s. It is a catastrophe in the making, and the Chancellor will rue the day he neglected the younger generation.

9.50 pm

The Financial Secretary to the Treasury (Mr Mark Hoban): We knew that the Labour party was in denial about the deficit and the difficult decisions that the country has had to take as a consequence of its legacy, but every one of the 16 speeches we heard from Opposition Members today reiterated that same denial. They claim that 250,000 people were out at the weekend to find an alternative, but there is clearly no alternative from those on the Opposition Benches. In speech after speech, Labour Members denied the reality of the economic situation they left the country. They have forgotten that when they were in Government the manufacturing sector halved in size while financial engineering replaced real engineering, and that our share of world trade fell as we failed to take advantage of growth in the global economy. The gap between the north and the south grew on their watch, and under their stewardship red tape, whether regulation or the length of the tax code, ballooned, acting as a dead weight on business. Their legacy to this country is an economy that needs reform if we are to

[Mr Mark Hoban]

have stable and sustainable growth, if every part of this nation is to prosper and if we are to compete with the best in the world. That is the agenda of reform that we set out in the Budget last week.

We want the UK to become the best place in Europe to start, finance and grow a business, but in the past decade alone countries such as Germany, Denmark and Finland have overtaken us in international rankings for competitiveness. In our plan for growth we have therefore taken action to abolish £350 million-worth of specific regulations, to implement in full Lord Young's recommendations on health and safety laws and to impose a moratorium, exempting businesses employing fewer than 10 people and all genuine start-ups from new domestic regulations for the next 10 years. These measures were welcomed by my hon. Friends the Members for Aberconwy (Guto Bebb), for Mid Dorset and North Poole (Annette Brooke) and for City of Chester (Stephen Mosley). No longer will British business be tied down by wasteful red tape.

We are going to tackle what every Government have identified as a chronic obstacle to economic growth in Britain but have never done anything about: the planning system. Councils are spending 13% more in real terms on planning permissions than they did five years ago, despite the fact that applications have fallen by a third. Yes, communities should have a greater say in planning, but as a result of the Budget we will expect all bodies involved in planning to put jobs and growth first, and we will introduce a new presumption in favour of sustainable development so that the default answer to development is yes.

We will protect the greenbelt, but we will also remove the nationally imposed targets on the use of previously developed land. We will streamline the planning process. I welcome the support from the hon. Member for Bristol East (Kerry McCarthy), who wants to stop applications being bogged down for years, which I think will free up the economy. I am pleased that there is at least one measure in the Budget that Labour Front Benchers will support. No longer will cumbersome planning rules and bad regulation stand in the way of job creation up and down this country.

There has been a lot of talk about enterprise zones. The hon. Member for Nottingham East (Chris Leslie) was dismissive of them, so I think that he should speak to his friends the hon. Members for Blyth Valley (Mr Campbell), for Telford (David Wright) and for Coventry South (Mr Cunningham), who all want to see enterprise zones in their constituencies because they want to see the benefit that will flow as a result. We have already announced four new enterprise zones: Mersey Waters in Liverpool; the Royal docks in Newham; Manchester city airport, which was welcomed by the right hon. Member for Wythenshawe and Sale East (Paul Goggins); and the Boots campus in Nottingham. There are 17 more to follow. The only Member who did not call for an enterprise zone in his constituency was my hon. Friend the Member for Colchester (Bob Russell), who went one further and called for Colchester to become a city. I do not know whether city status will offer the same benefit as enterprise zones, but I wish him well in that bid.

There was some discussion among Opposition Members about the problems of youth unemployment. We know that under the previous Government youth unemployment increased. Let me remind the House what the Chancellor announced in the Budget last week: 80,000 additional work experience placements and a doubling of the number of university technology colleges from 12 to 24. He announced 50,000 additional apprenticeships, taking the number introduced by this Government to 250,000 in total, compared with the plans left us by the previous Government.

We also need to make sure that we have a competitive tax system. Britain used to have the third lowest corporate tax rate in Europe; now we have the sixth highest. At the same time, our tax code has become so complex that it has overtaken India's to become the longest in the world. As my hon. Friends the Members for Mid Sussex (Nicholas Soames) and for Wolverhampton South West (Paul Uppal) said, we have to address that issue.

Our taxes should be efficient and support growth, be fair and predictable, simple to understand and easy to comply with. That is why from April the corporation tax rate will be reduced not just by 1 percentage point as we announced last June, but by 2 percentage points, and by 1 percentage point for each of the next three years, taking our rate down to 23%—16 percentage points lower than in America, 11 lower than in France and 7 lower than in Germany, giving us the lowest corporation tax rate in the G7.

A competitive tax system is not just about lower rates, however; it is also about the way in which we make tax policy and cut the cost of compliance. That is why last July we set up the Office of Tax Simplification to give advice on how to reduce the complexity of the tax system; and that is why we are going to reduce no fewer than 43 complex reliefs, from Black Beer to Angostura Bitters and late-night taxis to luncheon vouchers. We are ridding the tax system of unnecessary legislation and taking out 100 pages from our tax code, which is a good step towards creating a simpler tax system and reducing the cost of compliance for small businesses.

We need to go further, however. For decades, we have operated separate systems for income tax and for national insurance, with two completely different systems of administration and two different periods and bases of charge. That imposes unnecessary costs on our country's employers, and that is why this Government will consult on merging the operation of national insurance and income tax to create a simpler, more competitive and more stable tax system that is an asset to our economy.

Several hon. Friends talked about the importance of small businesses having access to finance, and we should not ignore the problems that businesses face in that regard. Small businesses in particular have been innocent victims of the credit crunch. They have seen the flow of affordable credit dry up, their overdrafts squeezed and lending conditions deteriorate. That is why we have agreed with the nation's banks a 15% increase in the availability of credit to small businesses.

But that is not the end of the story. As my hon. Friends the Members for Stratford-on-Avon (Nadhim Zahawi) and for South Northamptonshire (Andrea Leadsom) said, we need tax incentives to encourage entrepreneurial activity, and that is why it was good to see Sir Ronald Cohen and a number of venture capitalists and business angels praise the measures we announced

in the Budget last week to double the size of entrepreneurs relief to £10 million and to increase income tax relief to 30%. That is how we will provide finance to the nation's small businesses in order to help them to grow and create the jobs that we will need in the future; and that will help Britain to become the best place in Europe to start, grow and finance a business.

The issue is not just about financing start-ups and smaller businesses. We are pleased that the banks have agreed to increase the size of business growth funds to £2.5 billion, and to provide more equity investments for small and medium-sized businesses that want to grow and become the best in the world.

This Government are looking to right the wrongs of the past. We are going to reverse the trend of the past decade, a decade that saw manufacturing shrink, businesses tied down by red tape imposed by the previous Labour Government, the south grow faster than the north and growth balanced precariously on a mountain of debt. We will not repeat the mistakes of the previous Labour Government. We want to see growth built on firm foundations, with reforms that make our country more competitive and more business-friendly, with an economy exploiting new opportunities in the manufacturing, life sciences, digital and creative industries.

That is why the Budget has been greeted with acclaim throughout the country by business organisations that recognise the measures we have taken. That is why the strategy that my right hon. Friend the Chancellor set out, of tackling the deficit, has been supported by the OECD, the International Monetary Fund, the European Union, the CBI, the Institute of Directors, the Bank of England and 35 business leaders who wrote in support of our plans at the time of the spending review last year. Who can the Opposition claim in support of their plans? *The Guardian*. Is it not typical that, when this country needs far-reaching economic reform, the only answer that the Labour party has is a policy, which it knows is illegal, to cut the VAT rate on petrol?

We have set out measures to ensure that we tackle the mistakes of the past, that build a more dynamic, prosperous and sustainable economy that this country—

10 pm

The debate stood adjourned (Standing Order No. 9(3)).

Ordered, That the debate be resumed tomorrow.

Business without Debate

PRIVATE MEMBERS' BILLS

Motion made,

That, notwithstanding the provisions of Standing Order No. 14(4), Private Members' Bills shall have precedence over Government business on 9 September 2011, 21 October 2011, 25 November 2011 and 20 January 2012.—(Mr Alistair Carmichael.)

Mr Speaker: As there is an amendment not supported by the Member in charge, I will follow the practice of my predecessors and treat it as an objection to the motion. Objection taken.

HUMAN RIGHTS (JOINT COMMITTEE)

Ordered,

That Mrs Eleanor Laing be discharged from the Joint Committee on Human Rights and Rehman Chishti be added.—(Geoffrey Clifton-Brown, on behalf of the Committee of Selection.)

PETITION

Bus Services (Hartlepool)

10 pm

Mr Iain Wright (Hartlepool) (Lab): I rise to present a petition on behalf of my constituents who are concerned about the loss of bus services, particularly evening bus services and those on socially vital routes.

The petition states:

The Petition of residents of the borough of Hartlepool,

Declares that the petitioners are concerned that residents in areas of the borough such as The Headland and Burbank, as well as villagers in Dalton Piercy, Elwick and Greatham, have been left isolated and without transport following the decision of Hartlepool Borough council to cut public subsidy to private bus companies.

The Petitioners therefore request that the House of Commons urges the Secretary of State for Transport to work with the Secretary of State for Communities and Local Government, residents of the borough, Hartlepool Borough Council and bus operators immediately to reinstate the services and then to secure a financial settlement and a regulatory framework which provides a comprehensive, reliable and cheap system of bus transport in Hartlepool, designed to address the social and economic needs of passengers in both the urban and rural areas of the borough, rather than the narrow interests of private bus companies.

And the Petitioners remain, etc.

[P000909]

Sustainable Communities Act

Motion made, and Question proposed, That this House do now adjourn.—(Mr Alistair Carmichael.)

10.2 pm

Caroline Lucas (Brighton, Pavilion) (Green): I should like to thank hon. Members remaining in the House for their interest in the Sustainable Communities Act 2007. I will begin by explaining why the Act is so important. A successful first round of proposals has been made under the Act, but delays with implementing the 2010 amendment to it are creating unacceptable delays for future proposals, and I want to focus on that as well.

The Act is important essentially because, in so many ways, our communities are unsustainable. In the past decade, Britain has lost a quarter of all its post offices, a quarter of all its independent newsagents and a fifth of all its bank branches. In my constituency, thankfully, there is still a thriving local economy with local traders and businesses fighting off incursions on to the high street by the big chain stores and supermarkets, but we are unusual in being successful thus far, and there are certainly many battles still ahead. In particular, we need more powers to restrict the number of large chain stores that pose a threat to the unique character of our city of Brighton—for example, powers to stop the expansion of supermarkets given that we already have about 56 major ones.

Our city is home to about 10,000 small and medium-sized enterprises, which form the backbone of our economy as well as being a major element in Brighton's attractiveness to holidaymakers in terms of the services that they provide, such as bars and clubs, and the retail experience that they create. In fact, the city remains home to the largest concentration of independent traders on the south coast. Of course, we also have the well-established reputation of Brighton's leisure and tourism industry, which attracts more than 8 million visitors a year and has remained a large source of employment in Brighton and Hove despite the recession.

As I said, however, we are bucking the trend, and the relentless march of the high street clones is taking its toll, as are the prevalence of out-of-town shopping centres, the push to run public services such as our post offices for private profit, and the legacy of gaping social inequality. Increasingly, there are signs of disengagement from the political system. Evidence such as the POWER inquiry shows that people want to be engaged and to get involved, but that they do not bother because they perceive that they cannot really change anything.

The Sustainable Communities Act 2007 aims to reverse those interconnected problems. It recognises that community decline is an ongoing national problem. Evidence such as the New Economics Foundation's "Ghost Town Britain" research demonstrates that and shows that it will get worse if nothing is done. The best efforts of local citizens and communities are not enough to reverse this overwhelming national trend. The Prime Minister has placed enormous faith in what he calls the big society, but without adequate resources it is unreasonable to expect that people will have the capacity, skills, time and wherewithal either to plug the gap left by cuts to public services or to provide the intensive input required to facilitate genuine community development. Of course, we all know of inspiring individuals who make a difference

in their neighbourhoods and of projects that turn lives around, but that is not the same as the kind of infrastructure that allows for long-term, community-controlled sustainable engagement in the transformation of our society.

Government should help and Government can help, but communities are the experts on local problems and the solutions to them. The actions that Government take to help them should therefore be decided by communities, not by those in Westminster and Whitehall. A mechanism is needed whereby local people can drive Government action to reverse community decline and create local sustainability. The 2007 Act creates precisely that mechanism and enshrines it in statute. Putting local people in the driving seat is a crucial aspect of the Act. For the first time, it sets up in law a bottom-up process. Communities and councils are invited to make proposals for Government action to reverse community decline and promote local sustainability. Central Government then have a duty not only to consult, but to co-operate and reach agreement with an independent selector body on which of the proposals will be implemented.

The Act became law in 2007 as a result of a long and widespread grass-roots mobilisation campaign organised by Local Works, a coalition of more than 120 national organisations. The campaign inspired tens of thousands of citizens to urge their MPs to back the Sustainable Communities Bill. It struck a chord with communities who were fed up with seeing the decline of the places where they lived and worked, but who felt powerless to do anything about it.

I spoke at a large public meeting in Brighton in 2004, when the Bill had only just entered Parliament. Local Works organised more than 100 such constituency public meetings across the country. The turnout stunned MPs. The meetings drew average crowds of 250 people, with some attracting as many as 300 or 500 members of the public. In 2006, another huge meeting was held in Brighton, to which more than 250 people came to urge the city's three MPs of the time formally to back the Bill in Parliament. A year later, when the Bill was in its final parliamentary stages, London's Green MEP, Jean Lambert, spoke before 1,000 people at a public meeting that the campaign had organised in Westminster. I give these examples because they give a clear sense of the level of public support for this campaign and this Act.

The Green party was the first political party to back the Bill formally, and the campaign continued to call for cross-party support. That was eventually achieved and the Act became law in 2007 with the support of all parties across the House. In early 2010, Local Works successfully campaigned for the Sustainable Communities Act 2007 (Amendment) Act 2010. The 2010 Act ensured that the process would be ongoing, and allowed parish and town councils to submit proposals to central Government directly.

It is important to look back to see what has happened since. Have the opportunities promised by this groundbreaking legislation been realised? Back in October 2008, the Government of the day launched the first invitation for proposals under the 2007 Act. Local Works held many more public meetings across the country, where communities lobbied their councillors to resolve to use the Act. A hundred local authorities responded. Together with their communities, they drew up 300 proposals for Government action and submitted them to the Local Government Association, in the role of selector, by 31 July 2009.

The proposals were wide ranging and included measures to protect local post offices, shops and trade, and pubs; measures to increase the production and sale of local food; measures to promote local renewable energy, microgeneration and energy efficiency; measures to protect local public services; and measures to increase democratic participation.

The people of Brighton and Hove successfully urged the council to opt into the Act, and then many got involved in coming up with the proposals that would help the area become a more sustainable place. Of those proposals, eight were shortlisted by the LGA. Examples include allowing food grown in allotments to be sold locally, introducing feed-in tariffs for local renewable energy and empowering councils to have more flexible business rates to encourage local trade and jobs.

The LGA's selector panel shortlisted 199 proposals in total and submitted them to the Government in January 2010. On 15 December 2010, the Government announced that they had reached agreement with the LGA's selector panel on all the shortlisted proposals, and they published the results. Some proposals were to be implemented and some were rejected, with reasons given, while others were compromised on or deemed unnecessary because powers already existed.

I am pleased that as a result of that process, the Government will make it easier to introduce renewable energy schemes by bringing in permitted development rights for small-scale renewable and microgenerational energy. They have also agreed to legislate to establish a community right of purchase, which will allow communities to bid to take over local assets. A moratorium on the sale of listed assets will give community groups time to prepare a bid. The planning rules are due to be amended to exclude gardens from the classification of "previously developed land", and the Government have backed community calls for a ban on the sale of alcohol below cost price, preventing supermarkets from selling alcohol below a certain price floor.

Those are positive outcomes, with local communities having a direct say in shaping their futures. But what happens next? The Government have set up a barrier-busting website as the portal for submitting future proposals under the Act. They have also invited community groups and councils to submit proposals directly through the website. Local Works has welcomed that, and I do too. However, the 2010 Act requires that the Government introduce regulations that will govern the process of making proposals and deciding on them in future. The consultation that they must run before finalising those regulations has not yet been published.

Following repeated requests for information, officials at the Department for Communities and Local Government initially advised that the consultation would be published in the summer of last year. Since then the date has been continually revised, first to the end of 2010, then to the end of January 2011 and then to before the mid-term recess in February, and now we are not being given any time frame at all. Parliamentary questions tabled by the hon. Member for Gower (Martin Caton) and me asking when it would be published both met with similar responses, stating that it would be soon and that a statement would be made "shortly".

Community groups and organisations, councillors and officers who want to get involved in the Act are now all asking what on earth is going on. To them, this

looks like deliberate stalling by the Government. I have to say, I am minded to agree. The fact that the early-day motion on the subject currently has the second highest number of signatures, with 236 hon. Members supporting it, suggests that people in the House are also very concerned about the future of the Act. That is true not just of people here in the House but many people outside, too. I shall give just a sample of what is being said.

Ruth Bond, chair of the women's institute, has stated:

"The Women's Institute is looking forward to encouraging our members and others in our communities to be involved in the Sustainable Communities Act and to use it to help and protect the vibrancy of our villages and towns. However, the delay in the consultation on the future regulations for the Act is holding us all back. This delay has been ongoing since early January this year and still we have no date for when the consultation will be published. We therefore hope the government will make an announcement urgently."

John Walker, the national chairman of the Federation of Small Businesses, has made a similar point, stating:

"We are looking forward to seeing the consultation on the new Sustainable Communities Act regulations. The long delay in seeing this consultation has been frustrating as it is holding back our members and branches on the ground from engaging in the Act to help keep trade local and promote and protect local businesses and jobs in their communities."

I have a whole stack of further quotations from many organisations, including the Campaign for Real Ale, Age UK, Sustrans, the Public and Commercial Services Union, the Woodland Trust and others. All of them make the very same point—that extensive delay to the consultation is extremely frustrating and, worse, risks local people becoming disillusioned with the whole process.

The Sustainable Communities Act has enormous potential, and its emphasis on community control and empowerment should surely be in keeping with the Government's professed support for localism. I therefore hope very much that the Minister can tell my constituents, me and the many others who are still waiting to hear about why progress has stalled, what his plans are to get it back on track and when we can look forward to action. I hope he will also take this opportunity to reiterate his full support for the Act and its processes.

10.14 pm

The Minister of State, Department for Communities and Local Government (Greg Clark): I warmly congratulate the hon. Member for Brighton, Pavilion (Caroline Lucas) on securing this debate. I am happy to give her my full commitment to the Sustainable Communities Act 2007, which is one of the most important Acts that this House has passed. The fact that it was passed with cross-party support underlines its continuing significance to how we govern ourselves in future.

For my money, the Act is one of the most important Acts of the past decade, because it contains, as the hon. Lady knows, two important principles: first, that communities should have the right to know what is done by public bodies in their area on their behalf; and secondly, that communities, armed with that information, have the right to suggest alternative, better ways that might enable them to thrive, as she described. The Act is a seminal piece of legislation, and I congratulate our predecessors who campaigned long and hard for it, and the coalition led by Local Works, which did so much in the community.

[Greg Clark]

The hon. Lady describes her long association with the campaign. When I was selected as a parliamentary candidate in 2004 and first went canvassing on the doorstep, almost the first question I was asked—from Mr Philip Clarkson Webb, a constituent whom I have come to know—was whether, if elected, I would support the Sustainable Communities Bill. I told him that I did not know but that I would find out, and it is a thrill to speak at the Dispatch Box now in support of the Act.

I hope to reassure the hon. Lady on some of her points. The Act is seminal in other ways, because of its impact on other legislation. Its principles of dialogue, collaboration, and genuine, bottom-up democracy are a recurring theme in the coalition agreement, and unite both parties to the coalition. Those principles wholly permeate, and to a significant degree have inspired, the Localism Bill, to which she drew attention, which completed its Committee stage earlier this month.

The principles of dialogue, collaboration and bottom-up democracy also underpin our consultation on the new regulations to govern the Act's implementation. I can tell the hon. Lady that we will launch that consultation tomorrow. I also welcome the opportunity of informing her and the House of how we intend to proceed. First, we are keeping the essential character of the previous approach, but trying to make it more streamlined and effective, and easier for communities to take up. The Act is about inspiring ideas from local communities and engaging with them in open, honest dialogue; it is not just for councils. It is not about councils saying to their communities, "We want to do this, do you agree?" but rather about councils asking their communities, "How would you like us to improve our area?"

As the hon. Lady said, the Communities and Local Government Secretary invited councils to begin that process on 15 December 2010, which was the second invitation under the Act. The first invitation was made back in 2008, which generated a range of ideas from around the country on how best to put power where it belongs, and how to put control into the hands of local people.

Many of those ideas—getting rid of the regional spatial strategies and giving local councils much more discretion on spending public money—were reflected in the actions that the Government took in our first months in office. The hon. Lady mentioned three examples from Brighton, which as one would expect contributed some of the more lively, ambitious and creative proposals. There was a recommendation to introduce feed-in tariffs, for which she and many constituents in Brighton have campaigned for many years, and now we have them, and it is possible to introduce business rate discounts under the Localism Bill. We looked very carefully at the possibility of allotments selling surplus food, and we have clarified—I hope to her constituents' satisfaction—that those powers exist. If she finds any frustrations in exercising them, she has only to come to me, and we will make sure that anyone who doubts them is told what the reality is. I want the second invitation under the Act to be even more successful in provoking local debate, energy and imagination. It is a good opportunity to reinvigorate local democratic discussion between councils, community representatives and individual members of communities, and to bring forward great ideas and translate them into practice wherever possible.

I have always been clear that the best ideas are not to be found cooked up by Ministers and officials in Whitehall. They come from people in communities who have practical ambitions to make their communities better than they could otherwise be. One of the great things about the Act is that it sets a challenge for government to open itself up to ideas from communities in a way that in the past it has been too reluctant to do, and in that sense to turn government upside down, so that it can truthfully serve the interests of the people and follow their initiative, rather than governing them in the traditional way. The Act introduced the important concept that local and central Government should try to reach an agreement on what local people want. We are keeping this fundamental principle. We made it the centrepiece of the December invitation, and we will make it the centrepiece of the regulations when they are published in draft tomorrow.

The core principles behind the Act and our intentions remain the same. However, the difference I have set out is the first of several differences between the first invitation and the second, all of which are designed to improve the process. I have been grateful for the helpful suggestion that the Local Works coalition has made in helping us to frame these changes. There was some frustration, as reflected by the hon. Lady, about the fact that some of the processes were rather slow, bureaucratic and cumbersome. In the second invitation, we are seeking to be much more open, responsive and bureaucracy free. More action and less paper is what people want from us.

We want the second invitation to put people firmly in the driving seat. As the hon. Lady knows, under the first invitation, we saw only a fraction of the ideas that people put forward—those put forward by the selector for the Government to try to implement. This time, we have made a commitment to consider everything. We guarantee that we will try to help with any genuine problem raised. We do not want to filter out good ideas just for the sake of having a smaller number. Anyone can now e-mail one of the barrier-busters we have established in my Department with an example of how red tape or some other regulation or practice is preventing people from improving their area, and we will do our level best to resolve it.

Under the first invitation, people submitted their idea, but then, as the hon. Lady pointed out, had to wait a year or more for a decision to be taken, with no way of keeping track of progress. If people were concerned because they did not know where their idea was, they wondered whether it had been forgotten about altogether. This time, anyone who submits a request through the barrier-busting site will have a tracking number, like with an internet order, so that the person can tell where it is in the system, and they will have a dedicated person to call to check on progress.

The first invitation was time limited and burdensome on councils, but this time there is no deadline. Councils can ask for people's ideas at any time and in any way they want. We will not presume to know better than them how they should talk to their local communities and whom to involve. The first invitation also set out a rather restrictive role for the selector—the body tasked to keep the Government honest in their handling of the Act. The selector was asked to reduce the number of suggestions and to prepare a pared down list. This time, however, we will give the selector as well as the people proposing the ideas more freedom than ever before.

They will be able to choose which ideas to champion and will get involved only when they feel the need to. People will have the right directly to address the Government. They will also have help from an advisory panel to assist them. I am pleased to announce that it is our intention that Local Works and the National Association of Local Councils, both of which have been vital, will join the Local Government Association in providing a really top-notch advisory panel to the selector.

Because there might be times when, despite our best efforts, it will not be possible to reach agreement between Whitehall and councils on the way ahead, councils that go the extra mile—those that want to champion people's ideas under the 2007 Act, but are told that we cannot remove the barrier stopping them—will get an extra route of appeal. We will reform the role of the selector, so that it can resubmit that request for help and require us to discuss that request with it before we come to a decision.

Finally, let me mention another difference that I regard as an improvement, and which I hope the hon. Lady will too. The first invitation, before the amendment, excluded parish councils. We are very keen indeed for parish and town councils, which represent their communities so successfully, to submit suggestions and proposals under the 2007 Act. That is one of the reasons why we are keen for the National Association of Local Councils to be included in the work of the selector. We will ensure that the duty to "try to reach agreement" with the selector will apply to requests from parish councils, not just higher or upper-tier authorities, as they are referred to.

All in all, the changes are designed to make the process easier, more open, less bureaucratic and more

effective at making change happen—and, I hope, more inviting for people in communities up and down the country. With the barrier-busting services, the support and advice to which Ministers have access will now be increasingly available to people in communities. If we regard people in communities as having good ideas, it is incumbent on us to give them help and support in turning those ideas into reality, just as Ministers count on officials to help them turn their ideas into legislation. It has been my ambition in proposing these changes to turbo-charge the 2007 Act.

My final point is that, through the consultation, the Government are listening for further suggestions and changes that might be made, which we know are most likely to come from people in communities. The consultation on the regulations is a genuine consultation. If there are things that we have missed out or if suggestions are made during the consultation, we will do our level best to take them into account. The operation of the 2007 Act should go along with the spirit of the Act, and should be driven by communities.

I hope that those points will have brought the hon. Lady up to date on our intentions for the 2007 Act. I hope that she will welcome the fact that the publication that she was hoping for will happen tomorrow, in a written statement to the House. I would welcome the chance in future to discuss with her and hon. Members from up and down the country how we can put real power into the hands of local communities, and in so doing make our country and those communities better.

Question put and agreed to.

10.27 pm

House adjourned.

House of Commons

Tuesday 29 March 2011

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER in the Chair]

Oral Answers to Questions

JUSTICE

The Secretary of State was asked—

Land Registry

1. **Liz Kendall** (Leicester West) (Lab): What plans he has for the future of the Land Registry; and if he will make a statement. [49321]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): The findings of the feasibility study of the options for greater private sector involvement in the delivery of Land Registry services have now been reported to Ministers. Given the registry's importance in the housing market, we must give thorough consideration to those findings before making any decisions or announcements about its future direction.

Liz Kendall: The Land Registry provides a state guarantee of title for land ownership covering registered property worth more than £2.5 trillion across England and Wales. Can the Secretary of State confirm that previous reviews conducted by both Conservative and Labour Governments have found the registry's public sector status to be crucial to the impartiality and integrity of its work? Will he agree to meet me to discuss the future of this vital service, which is a cornerstone of the housing market and the wider economy?

Mr Clarke: I agree that the registry's state guarantee of title to land and property is essential, and that it must be retained in any arrangements that we make. Previous investigations of the registry have featured all the options that we are considering now, including the possibility of involving private sector partners—indeed, I have the original operational efficiency programme for 2008, which refers to private sector opportunities. We will, however, proceed with great care.

I know that the hon. Lady has a constituency interest because there is an important branch of the registry in Leicester. I, or one of my colleagues, will meet her in due course, once she has given us a little time to consider the findings of the feasibility study.

Lilian Greenwood (Nottingham South) (Lab): I recently met local representatives of the Public and Commercial Services Union from the Nottingham branch of the

Land Registry. Unsurprisingly, they expressed concern about not only their own futures but the future of the service. What discussions is the Secretary of State having with staff trade unions to ensure that their valuable expertise and experience are taken into account in shaping the future of the service?

Mr Clarke: We will certainly take account of all staff comments, and we hope to include the staff in our consultations. If there were any question of any change in the registry's status, we would embark on a full and careful consultation before taking action. We are pursuing the same objectives as the last Government: guaranteeing title, improving efficiency, lowering costs, and taking advantage of the opportunities provided by the Land Registry system to offer further service to the public.

Educational Opportunities (Prisons)

2. **Tony Baldry** (Banbury) (Con): What steps he is taking to increase educational opportunities in prisons. [49322]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): Together with the Department for Business, Innovation and Skills, the Ministry of Justice has undertaken a review of offender learning. Our proposed new approach has received strong support from the heads of learning and skills in prisons, and I hope that when we publish the results of the review, which we will do shortly, my hon. Friend will share their enthusiasm.

Tony Baldry: Does my hon. Friend agree that punishment is the deprivation of liberty, and that we should all try to ensure that when people leave prison, the time that they have spent there makes them less inclined to reoffend? Education is an important part of that. The position is very straightforward. When my hon. Friend's proposals are made public, I hope that they will present opportunities for a substantial increase in educational opportunity in prisons.

Mr Blunt: I share my hon. Friend's view. It is important for the pathway that leads the offender through the custody system—and, indeed, the supervision system in the community—to assist his progress towards rehabilitation, and that must be done through the delivery of learning and skills and education. Prisoners should be given effective work that enables them to make proper recompense to their victims, and learning and skills associated with that work will be an important rehabilitative tool.

Helen Goodman (Bishop Auckland) (Lab): While in government Labour increased the offending learner budget by 300%, and I am pleased to hear that the Minister is building on that. Does he agree with his hon. Friend the Member for Witham (Priti Patel), who on 9 March was quoted in the *Daily Mail* as saying that offender education was

"yet another example of gold-plated rights for convicted criminals", and that prison education "sends out the signal that crime pays"?

Mr Blunt: The reason for the review of offender learning is that, as usual, the last Administration spent a vast amount of money and secured precious little extra output for it. The hon. Lady has made the case very clearly. I am satisfied that we will largely protect the budget for offender learning and that people will leave prison with skills and training, better equipped to be contributing members of society following their release.

Mr Rob Wilson (Reading East) (Con): The Minister will know that Reading young offenders institution received a dreadful report on its education service from the independent monitoring board, particularly the part of the service that is run by The Manchester College. What action is the Department taking to deal with the shortcomings of the college, and to give more power to prisons to opt for excellent local education provision?

Mr Blunt: My hon. Friend has been assiduous in holding the offender learning contract to account in Reading prison, and the Skills Funding Agency has completed an investigation into the allegations made against The Manchester College in respect of its education contract there. The report of that investigation is being finalised, and I am not able to comment on it until it has been completed, but my hon. Friend is absolutely right that we must get the heads of learning and skills in the prisons much more clearly in charge of the direction of the skills training in their institutions.

Universal Jurisdiction

3. **Yasmin Qureshi (Bolton South East) (Lab):** What the evidential basis is for his proposals on the future of universal jurisdiction. [49323]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): Requiring the consent of the Director of Public Prosecutions before an arrest warrant can be issued does not affect in any way the principle of universal jurisdiction or the Government's commitment to that principle in the future. The reason for making this change is that at present a warrant can be issued where there is no realistic prospect of a viable prosecution.

Yasmin Qureshi: As the Lord Chancellor will know, universal jurisdiction is an ancient civil right: it is the right of an individual citizen to take court action against somebody suspected of committing a war crime. In the last 10 years, only 10 such applications for arrest warrants have been made, and only two of them were successful. As the Lord Chancellor will be aware, these arrest warrants are issued by the chief district judge for the London petty sessional area. In light of the fact that only two of these applications have been successful, why are the Government considering abolishing this ancient principle?

Mr Clarke: It is not being abolished. First, universal jurisdiction is not as old as suggested, but we welcome the application for, and enforcement of, universal jurisdiction here just as much as the previous Government did. The trouble at present is that the test for issuing an arrest warrant is so low that it is possible for a warrant to be issued when there is not the faintest chance of any serious prosecution going ahead. While I understand

the feelings behind some of the applications, there is no doubt that publicity is being sought rather more than a prosecution, and the likely targets are people such as Israeli or Sri Lankan politicians coming here whom dissident groups want to be arrested. The DPP can act promptly, and we will enforce the law when there is a genuine case for a prosecution. Indeed, one Afghan warlord has been successfully prosecuted in this country and is currently in prison.

Duncan Hames (Chippenham) (LD): In the DPP's evidence to the Police Reform and Social Responsibility Public Bill Committee, he said about assessing such applications:

"We have people who can work around the clock and we have enough trained people so that someone is always available."—[*Official Report, Police Reform and Social Responsibility Public Bill Committee, 20 January 2011; c. 126, Q241.*]

Can the Lord Chancellor confirm that it will be possible for cases to be submitted in advance of a suspect travelling to the UK so that decisions can be made in time to act?

Mr Clarke: I will check with the DPP, but I am almost certain he will confirm that that is the case, because I have had assurances from his officials that they are ready to act very quickly. In a proper case, they should act quickly and a warrant should be issued, but at present the fact that warrants can be comparatively easily sought and occasionally obtained is deterring people from coming to this country who are politically controversial but probably not guilty of any war crime or crime against humanity. Indeed, over the years attempts have been made to arrest people such as Henry Kissinger.

Ann Clwyd (Cynon Valley) (Lab): The Foreign Secretary gave a very direct answer to my question last week on the same subject. He explained that the Government are changing the law in order to be able to talk to the Israeli politician Tzipi Livni. Does the Justice Secretary really think the request of one foreign Government is a good enough reason for changing the entire law in the UK?

Mr Clarke: The case of Tzipi Livni is a very good example of why the law needed to be changed. She was the leader of the opposition when an attempt was made to get an arrest warrant. It was believed she was in this country, but in fact she was not. However, she was a leading Israeli politician coming here for political purposes, and it is in the interests of our country that we have negotiations and discussions with a wide range of political representatives from many countries. If guilty of war crimes, they will be prosecuted, but we put people off coming here if they are liable to have publicity-conscious arrest warrants served on them.

Community Sentences

4. **Stephen Gilbert (St Austell and Newquay) (LD):** What plans he has for the use of innovative community sentences as an alternative to custody; and if he will make a statement. [49324]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): We are examining ways of making community sentences more clearly associated with the

principles of sentencing, not least so that those elements relating to protecting the public, such as residence, reporting, and curfew and tagging requirements, and those relating to punishment—fines and unpaid work—carry greater public confidence.

Stephen Gilbert: I am grateful for the Minister's reply. Is he aware of the "Community or custody" inquiry commissioned by Make Justice Work, which has found that schemes offering tough and effective alternatives to short prison stays are facing funding cuts? Does he agree that that would be a step in the wrong direction?

Mr Blunt: We are trying to ensure that funding decisions are delegated more effectively locally, so that where decisions have been taken for alternatives to custody pilots to be mainstreamed or for alternative funding to be found for them, and they are found to be of value at a local level, they should be able to be protected at a local level.

Dr William McCrea (South Antrim) (DUP): Does the Minister agree that any alternative to custody must contain the essential element of punishment for the crime, as well as rehabilitation, in order to prevent a recurrence?

Mr Blunt: I wholly agree with the hon. Gentleman. It is very important that community sentences reflect the principles of sentencing—I made that point in the original answer. If they do not carry credibility in respect of punishment and protecting the public, people will rightly expect us to make a greater use of custody. As we know, short custodial sentences are not always in everyone's best interests.

Philip Davies (Shipley) (Con): Given that the probation service says that there are already 6,600 high-risk or very high-risk people serving community sentences, and that the reoffending rate on the intensive supervision and surveillance programme in recent years has ranged from 74% to 92%, may I urge the Minister to ignore the siren voices of those on the Liberal Democrat Benches, and perhaps even in his own Department, who are calling for more community sentences and fewer people to be sent to prison? What Conservative Members want is more robust sentencing and more people sent to prison.

Mr Blunt: I know that my hon. Friend agrees that what we want is what works, and we want to ensure that there are fewer victims of crime in future. When our policies deliver rehabilitation far more effectively than those of the previous Administration, we will have protected the future victims of crime, and I know that he will—

Mr Speaker: Order. I am extremely grateful to the Minister, but we must move on. I am afraid that these answers are rather long and they need to get a bit shorter.

Prison Service (Resources)

5. **Graham Jones (Hyndburn) (Lab):** What level of resources his Department plans to provide to the Prison Service in 2011-12; and if he will make a statement. [49325]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): The resource budget for the National Offender Management Service for 2011-12 is £3.679 billion, £2.181 billion of which relates directly to expenditure incurred in prisons.

Graham Jones: If, as the Secretary of State predicted in *The Daily Telegraph* on 11 February, crime increases under his Government, will he reverse his prison closure policy and undo the scaling back of the prison building programme? If not, what will he do with the criminals?

Mr Blunt: I am not entirely sure that my right hon. and learned Friend's comments bear that interpretation, but what we have to do in the Ministry of Justice is ensure that we successfully imprison those people sentenced to prison by the courts and not get ourselves into the state of affairs that occurred under the previous Administration, whereby people had to be let out early because they had run out of space.

Andrew Bridgen (North West Leicestershire) (Con): The shadow Justice Secretary has argued:

"Playing tough in order not to look soft made it harder to focus on what is effective."

Given that, does the Minister agree that despite record spending and the record prison population, Labour failed to improve public safety?

Mr Blunt rose—

Mr Speaker: Order. I am sorry, but on several occasions I have had to say to the hon. Member for North West Leicestershire (Andrew Bridgen) that questions must be about the policy of this Government, not a previous Government. I think we will leave it there. I call Lorraine Fullbrook.

Sadiq Khan (Tooting) (Lab) rose—

Mr Speaker: I beg the right hon. Gentleman's pardon. In dealing with that matter, I failed to allow him to make his contribution from the Opposition Front Bench, as he is, of course, entitled to do.

Sadiq Khan: I have a question for this Government. Given that the prison population is rising—it was 82,991 on 7 January and last week it stood at 85,454—and that, at the same time, this Government are closing prisons and slashing the prison building programme, what is the Minister going to do if the number of people who should be in prison exceeds the number of places?

Mr Blunt: Unlike the previous Administration, we will not get ourselves into that position. As the shadow Secretary of State will know—he will be well on top of his brief—there is a seasonal rise in prison numbers following Christmas. I am happy to say, however, that our policies are already having an effect. The prediction we inherited that we would end up with 96,000 prisoners by 2014-15 is unlikely to come true.

Sadiq Khan: Those of us who stayed awake for the entire Budget know that the Chancellor has no plan B and I am afraid that the complacency of that answer shows that the Ministry of Justice has no plan B. If

crime goes up, as the Secretary of State predicts it may well do, and if the prison population continues to rise, the Government will have no choice but to release offenders who should be in prison without due process or to use police cells. Which will it be?

Mr Blunt: As of now, we have an overhead in managing the prison estate of about 3,000 places. We will manage the estate to ensure that we sustain an overhead and do not get ourselves into a position whereby we run out of space, as the last Administration did. It is basic administration. We will keep a very careful eye on the prison numbers and ensure that we have sufficient capacity.

Foreign National Prisoners (Deportation)

6. **Lorraine Fullbrook** (South Ribble) (Con): What proportion of the cost of accommodating foreign national prisoners awaiting deportation after serving their sentences is provided by his Department. [49326]

The Minister for Policing and Criminal Justice (Nick Herbert): Currently, about 40% of the cost of accommodating foreign national prisoners who have completed their sentence and are awaiting deportation is borne by the Ministry of Justice.

Lorraine Fullbrook: The Prime Minister has, on a number of occasions, expressed his desire to see such prisoners deported after serving their sentence. Why are they not then transferred to secure immigration centres in readiness for their immediate deportation after their sentence is completed?

Nick Herbert: I agree with my hon. Friend that that is what we should be aiming to do. Wherever possible, detainees should be transferred to immigration removal centres. We are opening a new centre and the majority of detainees are already in those centres. We want to ensure that that number increases.

Probation Service

7. **Andrew Gwynne** (Denton and Reddish) (Lab): What plans his Department has for the future of the probation service. [49327]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): We will fundamentally reshape probation services to reduce unnecessary bureaucracy, empower front-line professionals and make them more accountable. Probation staff should be able to spend more of their time working directly with offenders; we are lifting the burden of bureaucracy that has hindered them from doing that.

Andrew Gwynne: I agree with the Minister that our probation service does a magnificent job in very tough circumstances and, under his self-styled rehabilitation revolution, should have an even greater role in successfully returning offenders to society. Will he therefore explain to the House how he can possibly square the increased work load and responsibility with cutting 3,000 experienced and front-line probation staff as a result of his Government's spending cuts?

Mr Blunt: That is not a result of our Government's spending cuts. The efficiency savings for the probation trusts for next year are largely the plans that those trusts had for the transfer from board to trust status, which was inherited from the previous Administration. The National Offender Management Service is taking 37% out of its headquarters' overhead precisely in order to protect the front-line professionals in the probation service in delivering effective offender management.

Sir Alan Beith (Berwick-upon-Tweed) (LD): Are probation trusts going to be providers of services, commissioners of services or both? If both, is there a conflict of interest?

Mr Blunt: I know that I am going to give evidence to the right hon. Gentleman's Committee and we will look forward to examining those issues. I suspect that the answer in the end is very likely to be both.

Meg Munn (Sheffield, Heeley) (Lab/Co-op): Will the Minister tell me how much work is going on in our probation services with violent offenders, particularly those who have been violent in domestic circumstances? Tackling the issue is enormously important in preventing future offending.

Mr Blunt: I agree with the hon. Lady about the importance of addressing the issue of domestic violence. Every probation trust I have visited has had programmes to address it. It is a particular priority and we will want carefully to examine the delivery of interventions and programmes to ensure that they are sustained. I accept that that is an area of priority.

Tom Brake (Carshalton and Wallington) (LD): What help can the Minister give to probation trusts to enable them to compete on a level playing field with the large private sector contractors that might be doing a lot of the work they are currently doing?

Mr Blunt: I think that my hon. Friend is referring to the competition for community pay-back. The first competition will be for the London area, where the boundaries overlap precisely with those of the London probation trust. That will give those probation trusts that need to get together to make a collective public sector bid involving a number of trusts the time and opportunity to put an effective bid together.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): Is the Minister aware of the evidence that was given to the Select Committee on Justice about the whole issue of competition and/or commissioning providers and so on? Those points have been very well made by the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith). Is the Minister aware that if there is a conflict of interest then, *prima facie*, the whole system will be unlawful? Does he realise how important it is to separate those functions, because the probation trusts do not have a clue where they are going?

Mr Blunt: This is an area of change for probation trusts, and the competition for community pay-back, which we inherited from the previous Administration, is an exemplar of that. I look forward to the opportunity to review all the evidence that has been given to the

Justice Committee and I shall come to a view on the basis of the evidence that has been received. I will give my own evidence and take questions in due course in the Committee, presumably at greater length than is allowed here.

Legal Aid Reform

8. **Nic Dakin** (Scunthorpe) (Lab): What progress he has made on his proposed reform of legal aid. [49328]

15. **Kate Green** (Stretford and Urmston) (Lab): What progress he has made on his proposed reform of legal aid. [49335]

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): The consultation for the reform of legal aid closed on 14 February and we have received some 5,000 responses from members of the public, lawyers and their representative bodies, advice providers, charities and many others. We are continuing to review all the representations received and we hope to publish our finalised proposals, which will include plans for implementation, after the Easter recess.

Nic Dakin: I thank the Minister for his reply. Citizens Advice has calculated that every pound cut in welfare legal aid will cost the state a further £9 in additional costs. In light of that information, will he amend his plans?

Mr Djanogly: We do not accept the figures provided by Citizens Advice, but we do recognise that early advice can certainly be helpful in a range of contexts. Often, people need general advice on welfare benefits or debt rather than legal advice.

Kate Green: The Government are announcing a huge programme of welfare reform, which means that, at least for a time, there will inevitably be confusion and uncertainty about entitlement. Will the Minister explain how it can be right to consider removing funding for legal aid for welfare benefits and social law matters right now? What guarantees will he give about continued funding for such advice?

Mr Djanogly: There is never a right time to do these things, but we feel that legal aid needs to play its part in reducing the deficit and that is what we propose to do. In terms of benefits, there could be an issue with more benefit claims coming through from the Department for Work and Pensions and we are working closely with that Department to ensure that we maintain a smooth service.

Mrs Helen Grant (Maidstone and The Weald) (Con): Does my hon. Friend agree that the proposed reforms will have a disproportionate impact on women—I declare an interest as a legal aid family lawyer—especially in the categories of employment, family and housing?

Mr Djanogly: Not necessarily. It is true that individuals featuring protected characteristics are over-represented in the civil legal aid client base and as such any reform to civil legal aid is likely to have a greater impact on those groups when compared with the population as a

whole, but that is a function of demographics. When affected clients are compared with unaffected clients, proportions are very similar.

Mr Robert Buckland (South Swindon) (Con): Will my hon. Friend take on board all the careful representations he has received about the potential problem of using domestic violence as the criterion for granting legal aid in family law cases?

Mr Djanogly: The Government's position is that domestic violence should be the gateway to receiving legal aid in relation to family law. However, my hon. Friend has asked specifically about the definition and I am pleased to tell him that many representations have come in on this issue and that we are going to consider them very carefully when we make our final report.

Mr Andy Slaughter (Hammersmith) (Lab): What the Minister told the Justice Committee is at odds with what he has said to the hon. Member for Maidstone and The Weald (Mrs Grant) today. He said that he wanted legal aid to be directed towards the most vulnerable, but every authoritative voice the Committee heard, and even his Department's impact assessment, said that the opposite will be the case and that the most vulnerable will be disproportionately hit by his cuts. We will see tomorrow, when the Committee publishes its report, whom it found more credible, but may I offer him the opportunity today finally to accept the overwhelming evidence that his cuts to social welfare legal aid will hit the most vulnerable the hardest?

Mr Djanogly: It is interesting that the hon. Gentleman mentions social welfare and misses criminal legal aid, because when it comes to eligibility and defining who is vulnerable, it was the previous Government who decided that criminal legal aid would be means-tested. We are not addressing that, but in relation to civil legal aid, yes, we do believe that the eligibility tests need to be looked at, and that is what we are doing.

Defamation Bill

9. **Jessica Lee** (Erewash) (Con): Which organisations he has met to discuss the draft Defamation Bill. [49329]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): Prior to the publication of the draft Defamation Bill, my Department carried out informal consultations with a wide range of interested parties. Since the draft Bill was published on 15 March my right hon. Friend Lord McNally has held meetings with a number of these parties to discuss their initial reactions to the draft Bill, and further meetings will take place during the consultation period.

Jessica Lee: In explaining the difficulties of defamation litigation to my constituents in Erewash, does my right hon. and learned Friend agree with the President of the Supreme Court, Lord Phillips, who stated that when defamation cases can be so complex,

"jury trial simply invites expensive interlocutory battles"?

Mr Clarke: I agree with my hon. Friend and her quotation. Jury trial is rarely used in defamation cases, but it greatly adds to the length and the cost when used,

so there is a wide consensus that it is not usually appropriate. It also cuts out the ability of the judge to settle a lot of preliminary points before going on to the full hearing, in a way that cuts down costs and speeds up justice for all parties. So far, there has been a favourable reaction to our proposals that in defamation cases there should be a presumption against jury trial. That has nothing whatever to do with the coalition Government's commitment to the use of jury trial in criminal cases.

Mr Denis MacShane (Rotherham) (Lab): But does the Lord Chancellor accept that one organisation that he will not be able to meet is the organisation of the little man and the little woman, because it does not exist? They are the ones who most often face defamation and malicious or inaccurate comments and reports, as do even right hon. and hon. Members occasionally, difficult as that may be to believe. Do we not need a small claims court for libel cases which could quickly and expeditiously, at a low cost in damages and expenses, deliver remedial justice, apology and correction?

Mr Clarke: I think we need low-cost, quicker, simpler and more efficient procedures in most of the civil justice system. The statement that I hope to be allowed to make at half-past 3 will take that further in various ways. Defamation has never been eligible for legal aid, but anything that simplifies the process and gets more matters treated as preliminary questions will make it more accessible to the ordinary citizen when his reputation is unfairly tarnished.

Prisoners (Repatriation)

10. Lindsay Roy (Glenrothes) (Lab): How many foreign national prisoners he expects to have repatriated in 2011. [49330]

The Minister for Policing and Criminal Justice (Nick Herbert): In 2010 about 5,000 foreign national prisoners were removed or deported. However, the number transferred through prisoner transfer arrangements is too low. We expect to transfer about 50 prisoners this year. The Government believe that foreign national prisoners should serve their sentence in their own country, and we are seeking to secure further compulsory prisoner transfer agreements wherever possible.

Lindsay Roy: I thank the Minister for his detailed answer. Can he explain why that small number differs so markedly from the autumn predictions of the Prime Minister that thousands would be repatriated? What is holding things up, or was that just a wild estimate or a rash promise?

Nick Herbert: As I said, more than 5,000 prisoners have been removed. Of course, the situation will change in December when the EU prisoner transfer agreement comes into force. As a consequence of that, we will be able to remove many more prisoners to serve their sentence in other countries.

Simon Hughes (Bermondsey and Old Southwark) (LD): I thank the Minister for his robust answer. Of the nearly 200 countries in the UN whose citizens could potentially be here in prison, do the Government have

any targets for the number of additional agreements we expect to implement outside the EU, or in particular to implement with those countries whose citizens constitute the largest number of prisoners in this country when they should be somewhere else?

Nick Herbert: We have to negotiate this with individual countries. We cannot simply remove prisoners to countries to serve a sentence there unless those countries accept it, but we can compulsorily remove prisoners if the countries agree. We already have agreements with Uganda, Rwanda and other countries, and an agreement is being negotiated with Nigeria. We would like to negotiate as many more arrangements as we can, but some countries simply disagree.

Bribery Act 2010

11. Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): What discussions he has had with representatives of the Serious Fraud Office on his proposed guidance in respect of the Bribery Act 2010. [49331]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): The Serious Fraud Office has been fully involved in the preparation of the guidance under section 9 of the Act about commercial organisations preventing bribery, as indeed has the Crown Prosecution Service.

Mr Bailey: I thank the Secretary of State for his reply. He will be aware that the continued delay in the publication of the guidance is causing considerable confusion and concern within the business community. Can he give me assurances that the guidance will be consistent with that for other OECD countries and that it will be published and issued quickly?

Mr Clarke: I am as committed to the Act as anyone else. The UK should remain at the forefront of the fight against corruption and bribery internationally. The delay, as the hon. Gentleman calls it, has been the result of consultation to ensure that legitimate business is not faced with additional costs and burdens that are not necessary for the implementation of the Act. We will announce the results of our consultation and information on when we will implement the Act very shortly.

Robert Ffello (Stoke-on-Trent South) (Lab): The United States has expressed concern about guidance watering down the Bribery Act. The OECD is concerned that Britain will be weak on corruption. Business is rightly worried about London's reputation, as shown by the letter from investment fund managers in today's *Financial Times*. Even the Ministry of Justice must be concerned, as it still has on its website an announcement that my right hon. Friend the Member for Blackburn (Mr Straw) is the anti-corruption champion. With the head of the Serious Fraud Office warning about weak guidance, will the Secretary of State now wake up to the seriousness of the issue and, with the eyes of the world on him, draw up robust guidance that protects Britain's reputation and British business?

Mr Clarke: I have been in touch with the United States Attorney-General and with Angel Gurría, the secretary-general of the OECD, and reassured them

that Britain's commitment to the anti-corruption drive internationally is not remotely in doubt. I am happy to join the right hon. Member for Blackburn (Mr Straw), as his successor as a champion against corruption. We are introducing the Act in a way that will enable us to modernise the law and catch corruption without putting burdens and costs on legitimate businesses, which are easily frightened by some sections of the compliance industry into believing that millions of pounds need to be spent on complying with it and that perfectly ordinary hospitality has to be banned. It has other fears that we hope to be able to dispel.

Squatting

12. Mike Weatherley (Hove) (Con): What progress he has made on reform of legislation on squatting. [49332]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): The Government take this issue very seriously and are therefore exploring options for strengthening the existing legal framework and its enforcement. We hope to be in a position to announce our plans soon. In the meantime, we have published guidance for home owners about the steps they can take to regain possession of their properties.

Mike Weatherley: I thank the Minister for his reply. In my constituency of Hove and Portslade we are often plagued by serial squatters, who cost the city and taxpayers many tens of thousands of pounds. Will the Minister confirm that the proposals he is considering will be a sufficient deterrent to these well-organised squatters?

Mr Blunt: Penalties are one of the many issues we are looking at. I am pleased to say that my hon. Friend and I will have the opportunity to address them more fully tomorrow in Westminster Hall.

Early Release Scheme

13. Karen Lumley (Redditch) (Con): How many prisoners convicted of violent offences and released under the early release scheme between 2007 and 2010 have since been returned to prison. [49333]

The Minister for Policing and Criminal Justice (Nick Herbert): Over 80,000 prisoners were released under the end of custody licence scheme. Over 16,000 of these were violent offenders, of whom 494 were recalled to custody during the ECL period. It is not possible to calculate how many were recalled or imprisoned for a new offence after the ECL period.

Karen Lumley: I thank the Minister for his answer. Will he inform me of his plans to avoid a repetition of the shambolic and incoherent justice policy that saw a mass early release of many prisoners, many of whom went on to commit new offences and were returned to jail?

Nick Herbert: I can reassure my hon. Friend that we will do everything possible to avoid a return to the scheme that was cynically stopped by the previous Government just before the last election, but not before they had released over 80,000 prisoners. There were 1,600 alleged offences committed by the prisoners who

were released early, including six serious further offences and one murder. The Opposition should certainly not be lecturing us on that area.

Drug Rehabilitation (Prisons)

14. Margot James (Stourbridge) (Con): What steps he is taking to support drug rehabilitation in prisons. [49334]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): We are working with the Department of Health to reshape drug treatment in prisons to sustain a better path to abstinence, not least by addressing a transition from prison to the community. Our proposals to improve the rehabilitation of drug-misusing offenders were published in the Green Paper, "Breaking the Cycle: effective punishment, rehabilitation and sentencing of offenders", in December 2010, and they include piloting drug recovery wings, supporting the Department of Health in developing payment-by-results drug recovery pilots and reducing the availability of drugs in prison.

Margot James: I visited Winson Green prison last month and was shocked at the number of drug-addicted prisoners being prescribed methadone. In our system, almost 24,000 prisoners are now maintained on methadone. Does my hon. Friend agree that that undermines opportunities for effective drug rehabilitation in prison?

Mr Blunt: I share my hon. Friend's concern about that issue. Methadone has been used increasingly to tackle heroin dependency, and the number of clinical interventions has gone from 21% in 2007-08 to 39% in 2009-10. Although we do not dispute that methadone has a role to play, we agree that drug treatment in prison ought to have a greater focus on recovery and should provide a clearer route to abstinence either in prison or when offenders return to community, and preferably on a pathway that includes both.

Kerry McCarthy (Bristol East) (Lab): I very much welcome the announcement this week about funding for the national liaison and diversion service, which will try to divert people with mental health issues from the prison system. Does the Minister think that, in time, that model could be used to divert people with drug addiction from prison, too?

Mr Blunt: I am grateful to the hon. Lady for her endorsement of our policy on addressing mentally ill offenders and delivering on that very substantial element of the Bradley report. There will not be quite the same method of having a liaison diversion service at courts and in police custody suites, but we will be looking at the drug recovery pilots as the model for the future, with local assessment and referral centres that identify the appropriate place for people to get drug treatment in the community.

Custodial Sentencing

16. John Pugh (Southport) (LD): If he will assess the extent of regional variation in the rate of custodial sentencing of offenders under the age of 17; and if he will make a statement. [49336]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): There is regional variation in the proportion of 10 to 17-year-olds who receive a custodial sentence of between 4% and 8% of those sentenced. There are national guidelines to promote consistency in sentencing, but levels will vary for reasons such as offence seriousness, local practices and criminal justice agency relationships.

John Pugh: There is such a thing as good sentencing policy. What are the Government doing to spread best practice in this critical area?

Mr Blunt: What we want to do is to begin to transfer responsibility to local authority areas, so that they begin to appreciate the cost of custody. At the moment, youth custody is extremely expensive, but it comes as a free good to local authorities. We want to incentivise them to deliver earlier intervention to divert people away from custody and, indeed, from youth crime in the first place.

Imprisonment for Public Protection

17. Mark Lancaster (Milton Keynes North) (Con): How many prisoners serving indeterminate sentences of imprisonment for public protection have been released to date. [49337]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): As at 17 November 2010, 187 prisoners had been released into the community from indeterminate sentences of imprisonment for public protection or detention for public protection, including offenders who have subsequently been recalled to custody.

Mark Lancaster: I am grateful for the answer, but it highlights the logjam that IPP prisoners are causing in our prison system, so how does the Minister intend to address that problem?

Mr Blunt: When those sentences were introduced in the Criminal Justice Act 2003 and implemented in 2005, the then Government estimated that there would be 900 such prisoners; there are now more than 6,000, and more than 3,000 of them are beyond tariff. [Interruption.] I can understand why the shadow Justice Secretary is ashamed of the record in that area. That is why there has been an increase in the size of the Parole Board; and that is why we are consulting on proposals to raise the tariff to a 10-year determinate sentence before an IPP can be enforced, and to examine the Parole Board test. Those are the proposals in the Green Paper on which we are consulting.

Mr Speaker: I am grateful to the Minister.

Compensation (Convicted Criminals)

18. Mark Menzies (Fylde) (Con): How much was paid to convicted criminals by the Criminal Injuries Compensation Authority in (a) 2008-09 and (b) 2009-10. [49338]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): The Criminal Injuries Compensation Authority paid £6.9 million in 2008-09 and £12 million

in 2009-10 to people with unspent convictions. These figures reflect only cases where the CICA reduced the award due to unspent convictions, which the current compensation scheme says it must do. However, there are still cases being considered under previous schemes that did not make such reductions compulsory, so the real figures are likely to be higher.

Mark Menzies: Does the Minister agree that it is slightly perverse and repugnant to be paying out compensation to criminals who have often caused severe injury and offence to their victims?

Mr Blunt: Yes.

Mr Speaker: A marvellous answer.

Criminal Law Barristers (Fees)

19. Anna Soubry (Broxtowe) (Con): What progress has been made on proposed changes to the payment of fees to criminal law barristers through the Legal Services Commission. [49339]

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): The processing, validation and payment of claims under the advocates graduated fees scheme is being transferred from Her Majesty's Courts Service to the Legal Services Commission. The transfer is taking place on a phased basis between 7 February and 18 April of this year.

Anna Soubry: I know that it is not proper to talk about lawyers and fees in the same sentence, but this is an overly bureaucratic system that does not pay out, as may be familiar to many Members of this House. There are criminal barristers who have not received fees for many, many months after they have completed their work. Does the Minister agree that that is plain unfair?

Mr Djanogly: If my hon. Friend would like to contact me with specifics, I would happily take them up. However, the responsibility for processing claims began to be passed to the LSC only on 7 February, so delays of six months are impossible. Properly completed claims are currently being processed within two weeks.

Topical Questions

T1. [49346] Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): If he will make a statement on his departmental responsibilities.

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): In recent years, the threat of costly libel actions has begun to stifle scientific and academic debate and impede investigative journalism. I have therefore published proposals for long-overdue reform of our defamation laws. The draft Defamation Bill will fulfil the coalition's commitment to protect free speech and restore important civil liberties after a decade of neglect under the last Government. It will mean that anyone who makes a statement of fact or expresses an honest opinion can do so with confidence, but it will also restore a sense of proportion to the law, ensuring that people can defend themselves against untrue allegations and that a fair balance is struck between freedom of

expression and the protection of reputation. I welcome hon. Members' views on the draft Bill and on the wider issues raised in the consultation.

Mrs Hodgson: Yesterday in the other place, Members voted through an amendment to the Public Bodies Bill to remove the Youth Justice Board from the list of organisations to be scrapped. Will the Secretary of State confirm that he will accept that defeat? Will he also confirm that he endorses the excellent work of the Youth Justice Board and will no longer seek to abolish it?

Mr Clarke: Another place is taking a very long time to discuss this, quango by quango, and it is rescuing several of these bodies. There is an enthusiasm for outside public bodies in the upper House that I am not sure is totally shared here. We will of course carefully reflect on the debate and vote in another place on the future of the Youth Justice Board. Since it was created—it did a very good job at first—time has moved on; peers kept referring to circumstances that they remember before it was created. We now have youth offender teams who do not need the level of supervision that they are getting from the Youth Justice Board. However, I will see whether any of my former friends and colleagues, and current hon. and noble Members of the upper House, have persuaded me to reconsider the policy.

T3. [49348] Mike Freer (Finchley and Golders Green) (Con): The Minister may be aware that the Gaddafi house is a high-profile squatting incident in my constituency. Just this week, we have had two further squats. Will he meet me and my hon. Friends the Members for Hove (Mike Weatherley) and for Bury North (Mr Nuttall) to discuss this pressing issue?

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): I will be happy to meet my hon. Friend to discuss squatting. I would hate to think that anyone would use the example of the Gaddafi house as any excuse for this pernicious offence.

Sadiq Khan (Tooting) (Lab): The Justice Secretary is not afraid to speak his mind, and he has many fans on the Labour Benches as a result. Does he agree that there has been a great deal of confusion on the Government's policy on the Human Rights Act 1998 and the Bill of Rights? Can he explain in plain, simple English whether his Government are in favour of abolishing, or in favour of keeping, the Human Rights Act, which brought into domestic law the European convention on human rights?

Mr Clarke: I would welcome vigorous attacks from the Opposition on any of my policies. The lack of such attacks might undermine my credibility with certain sections of the House and the outside world.

We have carried out the coalition commitment to set up a commission to investigate the case for a British Bill of Rights. Of course the Government accept the commitments and obligations under the European convention on human rights. The commission will look at the whole range of issues in this subject. Personally, I would like the debate to concentrate on what is more immediately attainable, which is sensible reform of the

Court in Strasbourg. That is much overdue. I think that we could command a wide range of support from other member states of the Council of Europe on such reform. Perhaps we might decide on subsidiarity, and on the role of the Court vis-à-vis the Parliaments and courts of member states.

T4. [49349] Stuart Andrew (Pudsey) (Con): Will my hon. Friend inform me of whether the principles of joint enterprise will remain after the sentencing review, as they were instrumental in bringing successful prosecutions against a number of people who were involved in the murder of the son of a constituent of mine?

Mr Blunt: My hon. Friend will be pleased to know that there are no plans to consider the joint enterprise principles in the sentencing review. The existing law ensures that if a person commits an offence as part of an agreed plan or joint enterprise, all parties to the enterprise may be guilty of the planned offence. That factor indicates higher culpability and justifies a tougher sentence than would otherwise be imposed.

T2. [49347] Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): In an earlier answer, the Minister acknowledged the role played by offender learning services in prisons in preventing reoffending. Given that about 60% of young offenders have communication difficulties so severe that they cannot benefit from such services, will he give an assurance that he will talk to the Royal College of Speech and Language Therapists to ensure that the service is in no way damaged as a result of public spending cuts?

Mr Blunt: I think that the hon. Gentleman might be confusing what happens in the adult estate and in the youth estate. However, his substantive point stands and I accept it. I am happy to talk to the Royal College, because I accept that communication is an extremely important tool in addressing offending behaviour. In many cases, a lack of communication skills leads to offending in the first place and, if it is not addressed, leads to reoffending.

T5. [49350] Jeremy Lefroy (Stafford) (Con): When I was a member of the independent monitoring board of a young offenders institution, I was often concerned about the underuse of the sports facilities on site. The reason that was sometimes given was that there were stringent rules on who could supervise them. Will the Minister consider those restrictions so that there is more sport and less television watching?

Mr Blunt: Yes.

Mr Speaker: John Cryer. Not here.

Jim Shannon (Strangford) (DUP): Earlier, the Under-Secretary of State for Justice, the hon. Member for Reigate (Mr Blunt) referred to the Government's policy on drug rehabilitation. Like many Members, I am concerned about the availability of drugs in prisons. What new steps will the Secretary of State take to ensure that drugs are not available, and that the road that starts people on drugs is curtailed?

Mr Clarke: I share the hon. Gentleman's concern entirely. There are people who enter prison drug free and leave with a drug problem. Drugs are more expensive in prison, but sometimes they are more widely available than in the outside world. We are therefore taking steps urgently to introduce the first drug-free wings. Alongside our rehabilitation programmes, we hope to get people off drugs and thereby perhaps get them away from crime, rather than introducing people to drugs when they go to prison.

T8. [49353] Karen Lumley (Redditch) (Con): Given the great work that West Mercia probation trust does in Redditch with the payback scheme, which I know the Minister has also visited, will he reconsider the new form of payback contracts, which cover large parts of the country but not necessarily our local communities?

Mr Blunt: Although I have seen that good work and applaud it, I will have to disappoint my hon. Friend. There is no prospect of our revisiting the contract arrangements that have been briefed out and presented to probation trusts and the private sector. That competition will progress.

T7. [49352] Mr David Crausby (Bolton North East) (Lab): How will the Secretary of State ensure that the tightening-up of no win, no fee arrangements will deliver lower insurance premiums, not higher insurance company profits?

Mr Clarke: With your permission, Mr Speaker, I hope to make a statement on that subject in a few minutes. We intend to lower costs for everybody, which should be reflected in, among other things, lower costs for such things as car insurance.

Mr James Clappison (Hertsmere) (Con): Given the misery that is caused by the drug trade, does my right hon. and learned Friend agree that all those who choose to play a part in drug distribution networks should face a custodial sentence, not least because those who play even what is termed a subordinate role are often indispensable to the making of large profits by drug barons higher up the chain?

Mr Clarke: I agree with my hon. Friend that any connection with the drugs trade should be dealt with by the courts with considerable severity. I invite him to have a look at the Sentencing Council guidelines put out today, which I think he will find are more balanced than some of the reports have suggested. They will actually increase the sentence for the more serious dealers and retain the right to imprison anybody involved.

Some of the comments that have been made have arisen because sometimes very low-level runners, often women, who are themselves drug abusers, are used as carriers by serious drug dealers. The judges and the Sentencing Council have addressed that point. They are consulting and we will consider our reaction, but the guidelines are produced by an independent body, and underlying them continues to be the principle of dealing severely with those responsible for the trade in illicit drugs, about which my hon. Friend and I agree.

Mr Speaker: In addition to the pleasure of hearing the Secretary of State's voice, it would be a joy to have the pleasure of seeing his face as well.

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): Will the Secretary of State explain to the House why the Government have yet to put into practice the provisions of the Crime and Security Act 2010, leaving victims of overseas terrorism such as Will Pike without the compensation that they expected to receive?

Mr Blunt: There is a review of the criminal injuries compensation scheme going on, and we intend to address the issue alongside that review and publish our proposals at the same time.

Miss Anne McIntosh (Thirsk and Malton) (Con): If it is the case that squatting has been made illegal in Scotland, will the Justice team look favourably on the Scottish proposals and make it illegal in this country as well?

Mr Blunt: We are certainly looking at the Scottish example, and I hope that when we bring our proposals forward, my hon. Friend will warmly welcome them.

Mr David Hanson (Delyn) (Lab): The Minister for Policing and Criminal Justice mentioned the repatriation of Nigerian prisoners and the contract that is being signed. Will he tell the House, following three years of discussion by the previous Government, how many prisoners from Nigeria have been repatriated this year and how many more he expects to repatriate next year?

The Minister for Policing and Criminal Justice (Nick Herbert): The Nigerian Government and Parliament have to agree to it, as the right hon. Gentleman knows, and we are awaiting that.

Richard Drax (South Dorset) (Con): Morale among the prison officers in the two prisons in South Dorset is at an all-time low. Will the Minister reassure me that their rights will be upheld as well as the prisoners' rights?

Mr Blunt: Of course.

Valerie Vaz (Walsall South) (Lab): The Forensic Science Service provides impartial evidence to the courts. What discussions has the Secretary of State had with it to secure its future and ensure that its primary duty remains to the court, not to shareholders?

Nick Herbert: As the hon. Lady will know, there have been considerable difficulties in relation to the Forensic Science Service, and we have been in extensive discussions with it about how we can ensure the future provision of forensic services.

Mr Peter Bone (Wellingborough) (Con): The Prison Minister is being very quick in his answers. Could he be very quick in answer to this question? Will he confirm that Wellingborough prison is not to close?

Mr Blunt: There is a continual review of the whole prison estate to address precisely the issues that the shadow Secretary of State mentioned. It would therefore

be wrong to confirm that about any prison in the system, because there is a process of review to ensure that we have sufficient prison places to jail those sent to us by the courts for the term of their sentence. The last Administration did not achieve that.

Heidi Alexander (Lewisham East) (Lab): The Government are proposing to remove legal aid for all asylum support law cases, while retaining it for other asylum matters. Why is the Minister drawing that distinction, when the vulnerabilities involved are surely the same?

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): The fundamental principle that we are following is that when security or liberty is at risk, legal aid should be provided. That is why we propose to maintain legal aid for asylum cases, but not for asylum support.

Paul Maynard (Blackpool North and Cleveleys) (Con): A report last year from the Prison Reform Trust found that children with developmental disorders were being processed through the criminal justice system without their having much understanding of what was happening to them. As a consequence, they were more likely to have a custodial sentence imposed upon them than those who were more articulate and more able to defend themselves. Does the Secretary of State believe that that situation exists, and if so, how does he propose to remedy it?

Mr Clarke: I certainly agree that that is a very serious problem, and we intend to address it. I had a meeting yesterday evening with the Prison Reform Trust, the Women's Institute and my right hon. Friend the Health Secretary. Our two Departments, together with the Courts Service, the police and the Crown Prosecution Service, hope to set up diversion route services for those who in fact require treatment for mental illness. Often, those people should be diverted out of the prison system and the criminal justice system altogether, both for their good and the good of society.

Prison is often not a suitable place in which to treat mental illness. I am told that no fewer than 3,000 prisoners appear to be in prison largely because that is the most convenient place to hold them while attempts are made to get them care and treatment for their condition.

Stephen Pound (Ealing North) (Lab): When the hon. Member for Aldershot (Mr Howarth) and I were in Dartmoor prison together, we noticed that the second most popular prisoner workshop produced excellent plaster garden gnomes. In view of the great and burgeoning success of the film "Gnomeo and Juliet", will the Minister have a word with the governor of Dartmoor to see what advantage can be taken of that serendipitous circumstance?

Mr Blunt: I am delighted to answer that question and to refer to my niece's part in "Gnomeo and Juliet". I was in Dartmoor last week. I did not see the garden gnome factory, but I did see some of the gardens, which make up for an otherwise bleak place. Prison industries are a very important part of the future development of our prisons strategy to ensure that, in future, prisoners have wider employment and work than they have now.

Bob Blackman (Harrow East) (Con): The Government have decided to close a number of magistrates courts in this country, as a result of which, many valiant volunteer magistrates will travel far longer distances and incur additional costs. What action will my hon. Friend take to ensure that people are properly compensated for their time and travel costs?

Mr Djanogly: Our proposals will adequately compensate magistrates by aligning magistrates' subsistence and travelling allowances with those of the salaried judiciary and, indeed, Members of Parliament. The proposed travel allowances will align with rates commonly used across voluntary, private and public sectors. It is estimated that these changes will save Her Majesty's Courts and Tribunals Service £3.2 million a year.

Reforming Civil Justice

3.33 pm

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): With permission, Mr Speaker, I wish to make a statement. I have today laid before Parliament two documents—the Government's response to our recent consultation on Lord Justice Jackson's recommendations for reforming no win, no fee arrangements, and a fresh consultation document on proposals further to overhaul the civil justice system. Copies of both documents will be available in the Vote Office and on the Ministry of Justice website. I hope to bring forward legislation on the Jackson reforms as soon as parliamentary time allows.

To many people in this country, the prospect of legal action is an expensive, daunting nightmare. One of the worst features of our compensation culture is that our justice system has increasingly become closed to vast rafts of the ordinary public by legal costs out of all proportion to the dispute or the claim. The proposals that I am announcing today will, I hope, begin to restore proportion and confidence in our system of justice, for both claimants and defendants.

First, following careful consideration of the consultation responses, I have decided to reform no win, no fee arrangements to stop the perverse situation in which fear of excess costs sometimes forces defendants to settle, even when they know they are in the right.

I can therefore announce that the Government will seek legislation to return the no win, no fee system to the first principles on which it was set up. We plan to end the recoverability of success fees and insurance premiums that drive legal costs; to award claimants a 10% uplift in general damages where they have suffered loss; and to ensure that they take an interest in controlling the bills being run up on their behalf by expecting them to pay their own lawyers' success fee. We will also bring forward our plans to encourage parties to make and accept reasonable offers, to protect the majority of personal injury claimants from paying a winning defendant's costs, and to allow claimants to recover the cost of expert reports in clinical negligence cases.

I am also publishing a consultation paper that I believe paves the way for the more efficient and effective delivery of civil justice after 15 years of stagnation. The current system is slow, stressful and expensive, and change is long overdue. My aim is to help people to avoid court wherever possible, while reducing costs where that is unavoidable. We are proposing that small-value cases should automatically be referred to mediation so that many people are able to avoid the experience of court entirely; and that the maximum value for small claims be raised from £5,000 to £15,000 to enable more cases to be heard through the simple small claims process rather than a more costly, complicated trial.

We are also proposing: to increase the value below which claims cannot be brought in the High Court to £100,000 so that the county court jurisdiction is extended and the High Court is reserved for only genuinely complex or high-value cases; new measures that will improve the ability of courts to tackle those who evade payment of their debts even though they have the means to do so, while ensuring that those who cannot

pay continue to be protected, for example by setting a minimum level of consumer debt at which property could be put at risk for non-payment; and the extension of a successful online system to cut waiting times and legal expenses in personal injury cases, as recommended by my noble Friend Lord Young of Graffham.

We have a duty to deliver a civil justice system that is more equitable, accessible and just. Resorting to the law need not be the long, drawn-out and expensive nightmare that so many people experience today, but could become a sensible and affordable way of resolving disputes in a proportionate manner. I believe these reforms, on which we are now consulting, will help to restore those fundamental values of proportion and fairness in our civil justice system, and I commend this statement to the House.

Sadiq Khan (Tooting) (Lab): I thank the Secretary of State for his usual courtesies and advance sight of his statement, which, on face value, is difficult to disagree with. We accept that the issue of costs in civil proceedings is worth investigating, and did so in government. I note that my right hon. Friend the Member for Blackburn (Mr Straw) is in his place. Those suffering injury through the negligence of public and private bodies who cannot afford to fund actions privately must have recourse to the civil justice system. There is a fear, however, that these plans go so far in trying to keep down costs that some claimants with meritorious cases will find it difficult, if not impossible, to find a lawyer to take on their case.

I am afraid that the devil will be in the detail of today's announcement. I have a number of questions for the Justice Secretary that I hope will tease out some of the detail. He referred to the Lord Justice Jackson report to justify his announcement. However, has he taken into account Lord Justice Jackson's view that his proposals are a package and should not be subject to cherry-picking, and will he take into account Lord Justice Jackson's desire to retain civil legal aid for criminal negligence and housing cases currently under threat from the Government?

The Justice Secretary proposes that claimants' solicitors will be able to recover up to 25% of their costs from the damages that a claimant recovers. He will be aware that the increase in compensation from defendants to claimants will be only 10%, not 25%, and will apply only to general damages, not to total damages. Why should someone who has suffered the trauma of an injury at work be told that the money they have justly received as compensation will go to their lawyer?

Has the Justice Secretary had a chance to assess the road traffic accident portal scheme, which was introduced by the last Government to reduce costs? The scheme uses fixed fees and efficient processing to limit costs, and came into force in March last year. Does he accept that it has reduced costs by half in 75% of personal injury cases? Does he agree that expanding the scheme to personal injury claims would save costs?

The Government have said that one aim of the reform is to reduce the costs that defendants have to pay. Many defendants are insurance companies. In light of that, can the Justice Secretary say what reductions he expects in insurance premiums? Can he confirm whether an impact assessment has been conducted on how the changes affect access to justice, cost to defendants and reductions to insurance premiums? Is he concerned

that, although there will be limitations on a claimant's ability to bring a case and the costs incurred by their solicitors, there will be no such controls on a defendant in defending a case, raising concerns about the inequality between the two sides?

Finally, a fundamental principle of our justice system is proper access to justice. I agree with the previous Government, who agreed with senior judges such as the Lord Chief Justice, Lord Judge, as well as Lord Justice Jackson and others, that the costs of civil litigation were sometimes excessive. We would all like the costs of litigation to be reduced and alternatives to it found wherever possible, but the effect of the proposals could be to restrict access to justice, particularly for those who do not have their own means of funding. It will be on this key issue that we will hold the Government's actions to account.

Mr Clarke: I welcome the right hon. Gentleman's agreement with me on the importance of tackling cost. He has focused principally on the conclusions that I have announced today of the Government's consideration of the consultation on Rupert Jackson's proposals, which I accept were initiated by my predecessor, the right hon. Member for Blackburn (Mr Straw), under the previous Government. We are trying to get the cost of litigation down.

The right hon. Gentleman talks about access to claims. We are going back to no win, no fee arrangements of the kind that existed when they were first set up by my noble Friend Lord Mackay in the mid-1990s. It was the changes made at the turn of the century that led to the cost escalating to such an extraordinary extent. Among other things, in many cases the legal fees paid by a losing defendant now far exceed the damages paid to the claimant. Indeed, it can be an extremely profitable area of practice if people have some successes. We will keep no win, no fee on the basis of the kind of arrangements we used to have—the kind that are familiar in most jurisdictions. The arrangements that we are proposing to sweep away are unparalleled in any other country and are making litigation too expensive for those faced with it.

The right hon. Gentleman then asked about the cost that can be borne by the plaintiff out of his damages. As he quite rightly said, the 10% enhancement to the level of damages that can be awarded is designed to help plaintiffs and claimants, but it will be confined to general damages, otherwise the figure could be astronomical in some cases. However, the costs that can be recovered—the success fee or bonus paid to a solicitor who has won a case—will be limited to 25%, so they will be kept in proportion.

The right hon. Gentleman mentioned the road traffic accident portal scheme, which has certainly speeded up and helped many personal injury cases. We are indeed proposing to extend the scheme to other personal injury cases, as he suggested.

The right hon. Gentleman asked me what would happen to insurance premiums. The answer, of course, is in the hands of the insurance industry and the competitive market in which it works. We all think, "Oh well, it doesn't matter: it's only the insurance company that is paying colossal legal fees"—on top of damages—"in no win, no fee cases," but that could be one explanation for

why car insurance costs have leapt to such an extraordinary extent in this country. I hope to see insurance premiums come down.

Impact assessments were produced at an earlier stage, after Sir Rupert had received wide representations from all sides. We have taken quite a long time getting to this point, and we are pretty clear on what the impact will be. On balance, I think it will be highly desirable. *[Interruption.]* I cannot read my notes on the last question that the right hon. Gentleman asked.

Sadiq Khan: It was about cherry-picking, and clinical negligence and housing cases.

Mr Clarke: Yes, the right hon. Gentleman raised an important point about clinical negligence cases, which can be very expensive to start. We are therefore making an exception in regard to the non-recoverability of insurance premiums. We will allow the recoverability of such premiums when they are used to cover the cost of expert evidence in clinical negligence cases. We are, however, working with the NHS Litigation Authority with a view to getting the NHS and other defendants to co-operate with claimants to produce joint medical reports. That should narrow the dispute and cut the costs for all parties, making justice more easily attained.

Several hon. Members rose—

Mr Speaker: Order. I emphasised yesterday and I repeat today that, in accordance with long-established convention, Members who came into the Chamber after the Secretary of State started his statement should not expect to be called.

Sir Alan Beith (Berwick-upon-Tweed) (LD): Given the Lord Chancellor's characteristic willingness to take what in "Yes, Minister" would have been called "courageous decisions" about success fees, insurance fees, after-the-event insurance and the scope of the small claims courts, will he tell us what he thinks about referral fees and claims farming, which are probably major contributors to the compensation and litigation culture?

Mr Clarke: The Legal Services Board is looking into that whole area. My right hon. Friend Lord Young of Graffham has referred to this as well, and it is an important area that we should look at. We are all in favour of no win, no fee; it has been introduced and no one is ever going to get rid of it, but a rather extraordinary form of practice has now developed at the margins. Claims advisers advertise for people who have had an accident to bring a claim; we see their advertisements on the backs of buses. They pay people to give them their claim if it looks good, and they then sell the claim to a solicitor. Solicitors may then trade the claims between themselves, before bringing a no win, no fee action. If they are successful, they get very high costs and a kind of bonus, called a success fee, on top. That is what makes these actions so expensive. I understand why, in response to consultation, some people defended that system vigorously, but I believe that the whole thing needs examining from beginning to end. As Sir Rupert Jackson's report made clear, this explains why the whole process has become so frighteningly expensive for so many litigants.

Mr Jack Straw (Blackburn) (Lab): May I add to the broad welcome from my Front Bench for the decisions that the Secretary of State has announced today? I also add my thanks, as I am sure he does, for the extraordinary work of Sir Rupert Jackson, which underpins them. I should like to pick up on the point raised by the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith). Is the Secretary of State aware that, in my constituency and in many others across the north-west, car insurance premiums for decent, honest drivers with impeccable records have rocketed, despite the fact that the number of accidents and thefts from vehicles has gone down? That is because of the work of those parasitic claims management companies and because the insurance companies, who are complaining about the costs, are themselves guilty of selling on personal data, including the facts relating to a claim, to those companies, often without the agreement of the insured person. Does the Secretary of State agree that we need to close down those claims companies altogether? They are parasites milking the system. I apologise for coming late to this decision; I should have taken it when I was in his seat. Does he also agree that we should use data protection legislation to ban insurance companies from selling on personal data?

Mr Clarke: When I took over the right hon. Gentleman's desk and chair about 11 months ago, one of the first things I picked up was the Jackson report, which he had commissioned. As he says, it was on his desk, but he had not had time to implement it. I was immediately attracted by its approach to cutting costs, so I am glad that he and I continue to agree on that. I am astonished to hear his description of insurance companies selling claims, although I have come across it. They do not all do it, but this just adds gloss to the strange way in which this has all developed. I am also struck by the huge cost of these practices for institutions such as the national health service, which, in a bad year, can spend about £400 million—little short of half a billion—on legal fees. In many areas of practice, the legal fees are the biggest bill for the defendant. They often exceed the amount of compensation paid to the claimant. The right hon. Gentleman was obviously anxious to reform the system, and I am anxious to do so as well. I am glad to have taken up the baton.

Mr John Whittingdale (Maldon) (Con): Is my right hon. and learned Friend aware that the Culture, Media and Sport Select Committee received considerable evidence that the massive increase in the cost of libel actions that can result from the use of conditional fee arrangements is having a seriously chilling effect on investigative journalism? Does he accept that the measures he has announced this afternoon are in some ways even more important for sustaining investigative journalism and scientific debate than the measures contained in his draft Defamation Bill?

Mr Clarke: I think that is right. This will have a big impact on defamation cases where people threaten the publisher of something they do not like with enormous costs if they want to defend the action. This is having, to use the jargon phrase, "a chilling effect" not only on scientific and academic work, but on proper investigative journalism. When we put the draft Defamation Bill together with what we are proposing to do in the light

of Rupert Jackson's proposals, the way in which we are setting up no win, no fee generally and the announcements I have made about the jurisdiction of the courts, I think we will make a significant impact on lowering the costs of all this litigation to the advantage of plaintiffs who have a legitimate grievance and of defendants. We are going to stop the whole thing being a high roller's gamble, which is what it is at the moment, as to whether the other side dare face the risks of the huge costs being piled up the moment a claim is brought.

Tony Lloyd (Manchester Central) (Lab): Whilst welcoming anything that will reduce the unnecessary costs to lawyers and others, will the Justice Secretary give a reasonable guarantee to constituents like my own, who are generally among the poorest people in Britain, that they will still be able to find legal assistance? The obvious problem with the 25% rule is that it might drive people below the threshold at which lawyers would be prepared to take the cases on. Will anything in the proposals deter people from obtaining proper expert evidence when that is necessary for them to fight their claim?

Mr Clarke: I think that people will think twice, as it were. At the moment, they are lured into making a claim by an advertisement on the back of a bus or in some local office. There are many people with perfectly legitimate personal injuries claims and the method I would wish them to pursue is to go to a solicitor who will consider the reasonable prospects of success and take it on on a no win, no fee basis—on the sort of terms that were always envisaged when we introduced the system into this country in the 1990s. People will have to think more carefully; there will be fewer purely speculative actions; and there will be fewer actions brought in the hope that the size of the legal costs is so great that the other side might be bullied into making an offer of settlement, regardless of their chance of success. I hope, however, that legitimate claims will prosper under a no win, no fee system, which is much closer to the lower-cost systems that other jurisdictions operate.

Mr Tobias Ellwood (Bournemouth East) (Con): Thanks to the blame culture that developed under the last Government, one school in my constituency deemed it necessary to concrete over a very shallow paddling pool, in case a child had an accident and the school were sued. Another school considered cutting down all its trees in case children were to fall out of them, injuring themselves so that the school might be sued. I hope today's statement will be the start of a fresh approach to this compensation culture.

Mr Clarke: I feel strongly, as does my hon. Friend, that we have an unacceptable compensation culture in this country. Like him, I notice it in my daily life. I think that doctors, teachers, policemen and most professional people are constantly concerned about the possible risk of litigation when they do perfectly ordinary things in the course of their daily lives. I dare say that the kind of submissions coming to Ministers are, in comparison with when I first received them, now so full of concerns about judicial review, the Human Rights Act and other legal constraints on what can be done that we are getting further and further away from common sense

whereby people can exercise their judgment and, of course, be accountable to the law when they are at risk of breaking it—but only when they are at risk of breaking sensible law and might face litigation at reasonable cost.

Keith Vaz (Leicester East) (Lab): I think that what the Lord Chancellor has said today has cross-party support. May I take him back to his comments about mediation? Is he suggesting that there should be mandatory mediation for very small claims? If he is, we have a problem with the number of qualified mediators. Will he look at this issue because it is all very well referring these cases, but we need the mediators to be able to deal with them?

Mr Clarke: We will make mediation an automatic part of the process if the result of the consultation supports such a move. Of course there will be cases that mediation will not resolve, and in those cases people will undoubtedly have the right to go to court. In the small claims courts we are already seeing a rapid extension of very successful mediation, often by means of telephone conference, which is resolving the smaller disputes.

As for the county court, following our extension of its jurisdiction, we will expect people to go along and be introduced to the prospect of mediation. We are consulting on the kind of people who will be required to conduct mediation sensibly, because, as the right hon. Gentleman says, a certain amount of skill and experience will be required for the process to produce the right results.

Tom Brake (Carshalton and Wallington) (LD): Has the Secretary of State had time to consider the possible implications for the overall number of county courts of the proposal to rationalise the county court by, for instance, allowing back-office functions to be combined?

Mr Clarke: We have just completed a consultation on our estate, and we have announced the closure of a number of courts. We aim to reduce back-office costs and the unnecessary expense that flows from different jurisdictions. Obviously we keep the proper usage of our estate under continuous review, but I do not expect the proposal to have any significant effect on the future of the courts that survived the consultation that we carried out a few months ago.

Mr Elfyn Iwan (Dwyfor Meirionnydd) (PC): I accept the need for rationalisation of the jurisdictions of the county courts and High Courts. I also accept that, ultimately, mediation will be a good thing. However, evidence from the Access To Justice Action Group provides numerous instances in which poor people will be excluded altogether following the change in the no win, no fee arrangements, and I am desperately worried about that. The evidence contains no special pleading. It is excellent evidence, and I ask the Ministry to re-examine it in due course. If something is not done, this will prove to be a benefit match for the insurance companies only.

Mr Clarke: We considered very carefully the large number of responses to the consultation document, many of which opposed changes based on Sir Rupert's proposals. Most of them came from plaintiff solicitors, but I do not dismiss them on that ground, because I

share with those solicitors an interest in proper access to justice. We considered whether modified no win, no fee arrangements could be justified in that context.

There are two questions to be asked: have we affected people's access to justice, and have we affected the profitability of practices that engage in no win, no fee with a reasonable level of success? Most of the responses that we received dealt with much more complicated questions, but I believe that we have retained proper access to justice while lowering the costs—and therefore, unfortunately in some cases, the profit margins—to more reasonable levels.

Tony Baldry (Banbury) (Con): Some of us spend a large part of our professional lives trying to persuade litigants to accept reasonable offers. It is often difficult to explain to them what is a realistic quantum of damages in personal injury cases. Surely, with all the technology of the 21st century, it must be possible to devise a public website that could be updated with whatever decisions the Court of Appeal, the Supreme Court, the High Court and other courts have made in personal injury cases. That would provide a much more accessible and transparent explanation of the quantum in such cases at any given time, enabling litigants to assess the probability of a successful claim and the level of damages that they were likely to receive.

Mr Clarke: If my hon. Friend looks at our proposals, he will see that we intend to provide greater incentives for the settlement of cases. We also intend to impose cost penalties—beyond those that already exist—on those who either refuse good offers or do not meet the reasonable first demands of their opponents, but settlement is always preferable when it is possible.

I think I shall have to discuss with the judiciary the question of whether wider circulation could be given to recent awards of damages. However, I agree that in this day and age it ought to be possible to move on a little from the old days when gossip among members of the Bar about what they considered to be the current tariff for a particular injury was the best way of spreading knowledge about the direction in which the figures were moving. I will discuss my hon. Friend's proposal with the Lord Chief Justice and others.

Geraint Davies (Swansea West) (Lab/Co-op): The Secretary of State will know the situation facing families with household savings of less than £15,000, and that families with savings of over £16,000 are ineligible for benefits. Does he not think that raising the bar for access to justice through the small courts from £5,000 to £15,000 may be seen as rough justice for the many poorer families who might want a proper hearing for their case? It will have a massive impact on their household budget, and a much greater one than a larger amount for a richer family.

Mr Clarke: This has sometimes been looked at, hence it has been possible to raise these levels by quite large amounts as they have not kept in line with inflation for the last 15 years. What we are doing in respect of the small claims courts should be of assistance to people of low means, because the small claims courts have been quite successful as a reasonably informal, very low-cost way of resolving simple disputes or collecting

[Mr Kenneth Clarke]

straightforward debts which people cannot recover from those who owe them. It is right to extend that jurisdiction so that people are not faced with the daunting prospect of appearing before a judge in a formal court setting, and possibly having a lawyer on the other side and so forth, which comes at the next stage up, at county court.

Jake Berry (Rossendale and Darwen) (Con): On the small claims courts, it is interesting that we are increasing the limit from £5,000 to £15,000. Will personal injury cases now be included, and will the recovery of legal fees be precluded in all cases up to £15,000?

Mr Clarke: We are only consulting, so we are open to arguments about whether or not £15,000 is the right figure; we might put it up further, or we might be persuaded to take it down. I personally think that extending the small claims court jurisdiction is a very desirable thing to do, but it will not be extended to personal injury cases, because the small claims court is intended for quick and easy disposal of fairly straightforward cases. Too many personal injury cases would clog up the system which is meant to be quick and relatively informal and for straightforward disputes.

Dr William McCrea (South Antrim) (DUP): Can the Justice Secretary assure the House that all the proposed changes will safeguard the innocent, protect the vulnerable and ensure that access to justice remains the cornerstone of our society?

Mr Clarke: Well, I hope I can answer yes to all those questions. We are talking about civil jurisdiction here; there is no criminal jurisdiction. I think civil justice should be quick, efficient and accessible to most members of society. As the hon. Gentleman will know, most ordinary people regard any question of being muddled up with litigation, or having to go to court, with mortal dread. Middle England—or middle Ireland—feels itself completely excluded from a civil justice system that exists for the very poor, the very rich or the big corporations. We are, I hope, moving in the direction of enabling the ordinary citizen to make some use of the civil justice system again, and without quite as much fear as most people have of it at the moment.

Mr Robert Buckland (South Swindon) (Con): Although I think there will be a general welcome for the 10% uplift in general damages, which should help to cover the payment out of success fees by claimants, does my right hon. and learned Friend agree that in a small number of cases where special damages form the lion's share of an award, there is still a live issue as to the potential erosion of the value of the damages awarded by the payment out of success fees to lawyers?

Mr Clarke: The cap of the success fee—which is a kind of bonus to a winning lawyer who has taken a no-win, no-fee case—will not be applied to special damages. As my hon. Friend rightly says, special damages can be enormous, such as in cases where the plaintiff has been disabled for life, and if the so-called success fee—the bonus—is taken as a percentage of that, it could be colossal, even though the size of the award might not reflect the complexity and difficulty of the case, but just

the fact that the plaintiff was very severely injured. We are increasing damages by 10% of general damages, and we are capping the success fee that the plaintiff will have to meet at 25% of the general damages. Special damages will not be affected.

Rehman Chishti (Gillingham and Rainham) (Con): Can the Secretary of State confirm that the online road traffic accident scheme will be expanded to cover employers' liability, public liability and personal injury claims up to the value of £50,000?

Mr Clarke: Yes, I would like to see that, we are consulting on that and I would be interested to hear my hon. Friend's views. It has worked very well in the road traffic accident cases and we are therefore seeking to extend it, in line with his question.

Andrew Bingham (High Peak) (Con): The tentacles of the compensation culture have wrapped themselves around British life for far too long, and I congratulate the Secretary of State on his proposals. Local authorities and public bodies face paying out more and more, so does he see his proposals as the first step towards a semblance of normality in this area?

Mr Clarke: I hope so. Let me make it clear that I am in favour of people who have suffered injury because of the fault or negligence of somebody else receiving proper compensation. In all those cases, people should have access to the courts and the right to have their case argued in the normal way, but what has happened is that this has become a widely publicised, rather commercial activity, which is having a considerable effect on the way in which many people lead their ordinary day-to-day lives. Let us go back to a sensible system of civil justice which does proper justice to both the claimants and the defendants, and get away from this rather extraordinary way we live at the moment, whereby huge sums can be made, mainly in legal costs rather than in damages, by bringing speculative claims against defendants who cannot afford to defend them.

Stephen Phillips (Sleaford and North Hykeham) (Con): As those of us still practising can tell my right hon. and learned Friend, the costs associated with civil litigation are of just as much concern in higher value claims as they are in lower value claims, particularly to British businesses which need their rights adjudicated upon. In many jurisdictions, including some in the United States, mediation is compulsory in all civil cases. Will he consider ensuring that that is the position in England and Wales as well?

Mr Clarke: I will certainly consider that, and I am interested to hear about my hon. and learned Friend's knowledge of the American experience. We are certainly seeking to extend mediation considerably, and we are consulting to see how far we can go in getting people to contemplate mediation before deciding which cases cannot be resolved that way and so have to go to ordinary litigation. I am glad that he welcomes that; we certainly wish to see a considerable extension of mediation and we will go as far as is sensible.

Jessica Lee (Erewash) (Con): I declare my interest as a family lawyer.

Constituents involved in these proceedings are often frustrated about the length of the court process. They can be involved for a long time only for the case to be settled at the door of the court. Will my right hon. and learned Friend set out the steps being taken to case-manage matters at the earliest opportunity?

Mr Clarke: The new portal process should significantly speed up a very high proportion of cases. We will certainly continue to address the real point that my hon. Friend makes as we go on to consult. Quite apart from the dread of the cost, the main experience members of the public have of the courts, be they criminal or civil, is the astonishing amount of time they are likely to waste in abortive visits during a slow-moving process. They will often have to attend the court building needlessly on occasions when the court is adjourned before they can get to be a party, a witness, a juror and so on. I therefore appreciate the spirit of my hon. Friend's question and we are certainly seeking to address it in this consultation process.

Children (Access to Parents)

Motion for leave to bring in a Bill (Standing Order No. 23)

4.8 pm

Charlie Elphicke (Dover) (Con): I beg to move,

That leave be given to bring in a Bill to require courts, local authorities and other bodies, when determining or enforcing issues of residence and contact, to operate under the presumption that the rights of a child include the right to grow up knowing and having access to and contact with both of the parents involved in the residence or contact case concerned, unless exceptional circumstances are demonstrated that such contact is not in the best interests of the child; to create an offence if a relevant body or person does not operate under or respect such a presumption; and for connected purposes.

There are 3 million children who live apart from a parent in the UK, about 1 million of whom have no contact with the non-resident parent three years after separation. We know from the statistics that the number of court applications is rising. In 2005, it was 110,330 and in 2009—the most recent year for which the figures are available, I understand—it was 137,480.

We also know that the Children and Family Court Advisory and Support Service case load has been rising sharply. In 2007-08, there were 39,432 cases, and in 2009-10 there were 44,722. That was the subject of a recent Public Accounts Committee report and a National Audit Office investigation, which found that CAFCASS is not timely and that eight out of 10 Ofsted cases are failed. That is not good enough and as a result we have a massive delay in the court system. Even after a contact order is granted, as we all know from our surgeries it is all too often ignored, not enforced and not dealt with. The situation is simply unacceptable.

I am promoting the Bill today because I believe that there is a better way. First, we should reform things so that we have mediation rather than endless court cases. On average, mediation costs £752 a case whereas court proceedings cost £1,682 a case, and mediation takes 110 days whereas court cases take 435 days—more than a year. Some 95% of mediations are complete within nine months whereas only 70% of court cases are complete within 18 months.

Secondly, we need to reform and enforce contact properly. We need to place a duty on all involved. Too often, people say it is about mums' rights or dads' rights, but actually it is about the rights of a child to know and have a relationship with both their parents. That is the nub of what the Bill is about. It is not right that parents should sink their children's right to know them in a sea of acrimony when they split up.

There are those who would say, "That doesn't happen. The Bill is not necessary; it is a waste of parliamentary time. It's not an issue. Why is Mr Elphicke bothering to do this?" Let me give some case studies. Mrs A, of Wootton in my constituency, wrote to me about her son's experience with his children. She said:

"Each time a visit is due their mother creates a great deal of hassle—never being able to give a precise date etc. and has twice prevented the visit completely."

The son went off to court to get a contact order. The letter went on:

"He has been in front of several different judges and every one has refused to do anything at all—just shrugging their shoulders, treating my son like a criminal, not even looking at the paper work and evidence. They just say there is nothing they can do."

[Charlie Elphicke]

Mr G of Dover writes to me:

"I understand as they are my children I should help towards their upbringing, but surely this should not just involve paying my ex money and only speaking to them on a Sunday morning for 30 mins."

Some people might think that this is all about dads. No, it is not. Let me give an example. Kenn Griffiths of mychildcontact.com sent me details of a case involving a mother who was divorced several years ago. The father has residence and the mother tells a moving story about how the father has been poisoning her children against her, telling them that she is ill and will never get better and that if they live with her they will make her even more ill. He has been saying the same to the CAFCASS representative. The only information the CAFCASS representative had in front of her was the father's allegations, and she recommended that the mother see the children every other weekend in a contact centre, not for half the time as she does at the moment. Surely that cannot be the right way forward.

Let me give another case from just last week, of Tommy, a soldier from Coventry. He has a six-year-old daughter who lives with her mother. Court proceedings started last year. There was contact until January of this year, when the mother ended it. There was a court hearing and it all kicked off because CAFCASS could not get its ducks in a row until October of this year, but there is an issue here. Tommy is a soldier and he is about to be deployed to Afghanistan at the end of this month—this week, he will go to Afghanistan.

In January, Tommy applied for a specific order so that he could see his six-year-old daughter and take his leave of her before he went to serve his country—and, possibly, did not come back. He applied to the court. Was the judge at the hearing sympathetic? Did he allow Tommy to take leave of his six-year-old daughter before he went off to war? The judge said that it was unreasonable of him to ask to see his daughter and he should wait until October 2011 before the court would resume proceedings. This is a man who is off to serve his country. I wholeheartedly condemn that judge at Leicester county court for living in an ivory tower and having no idea about the real world and the parents' feelings about seeing their children.

Let me detail the case of an alienated mother in which the father has the residence order for their two boys. They had 46 hearings between 2000 and 2006 before contact was finally achieved, by which time the damage had been done and the children were so alienated that they had no relationship with their mother. How can that be right? This is the existing law that we have to contend with.

Then there are the blackmail cases. Danny saw his six-year-old daughter every other weekend and on Wednesday evenings. He pays his ex-partner's mortgage and he pays maintenance through the Child Support Agency, but one Friday before he was due to make a visit, mum said, "I need a new bed; if you don't buy one, you won't see your daughter tomorrow." That was two years ago and he has not seen his daughter since because the judiciary will not enforce the contact orders. The system is stacked against him.

The reason I am putting this Bill before the House is to ensure that there is a clear and enforceable right of the child—a clear presumption in law—that will send a

clear message to all those involved, including CAFCASS and all the weak-kneed judges who will not make or enforce any orders. To the parents who have residence orders and should know better, I want us to send the message that this is not about their rights: it is about their children's rights to grow up knowing both their mother and their father.

4.16 pm

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): I rise to oppose the Bill and declare that I practised in family law as both a solicitor and a barrister for about 35 years. I therefore draw on a number of years' experience in the courts. I believe that the motion has been made with the best possible intentions, but if the Bill was passed, it would fall foul of the law of unintended consequences.

In all cases in which decisions are made regarding contact arrangements for children, paramount consideration must always be given to the welfare of the child, as required under the Children Act 1989 and article 3 of the UN convention on the rights of the child. Thus far, the hon. Member for Dover (Charlie Elphicke) and I agree. Sustaining meaningful relationships with non-resident parents and other carers such as grandparents, whether male or female, is important for meeting a child's emotional needs. Thus far we still agree. It is often in the best interests of the child to ensure that contact with both parents and other carers is maintained. Again, we agree.

However, many organisations, including the National Society for the Prevention of Cruelty to Children, do not support any measures that seek to alter the paramouncy principle defined in the 1989 Act, which ensures that the welfare of children overrides all other considerations. That is a view with which I entirely concur. There is evidence to suggest that the paramouncy principle might be undermined by informal arrangements. Research published by Her Majesty's inspectorate of court administration shows that courts already operate with an informal presumption of contact despite there being no legislation to require that. HMICA found that this informal arrangement has had the effect of undermining the safety of children who were at risk by focusing courts' attention on contact rather than on the welfare of the child. More research is needed to assess the extent and impact of the informal use of presumption of contact in family courts.

Fewer than one in 10 cases in which parents divorce or separate comes before a family court for decisions to be made or disputes to be settled regarding contact arrangements involving children, but it is important to appreciate just how regularly the risks to a child's welfare need to be actively considered by judges when ruling on parental access in family courts. Research for the Ministry of Justice in 2008 on applications for child contact across 11 courts found that the majority of cases included serious welfare concerns about the impact on the child of domestic violence, parental mental health issues, parental drug or alcohol misuse, a parent's learning disability or the likelihood of a parent abducting the child. Only 37% of applications did not contain any serious welfare concerns which might affect the child. The most frequent welfare concern was domestic violence, which affected 154 of the 308 case files reviewed. Domestic violence is widely recognised as a major child protection issue, with 750,000 children witnessing domestic violence annually.

Victims of domestic violence face greatest risk post-separation, and research shows that children ordered by courts to have contact with a violent parent are likely to be abused themselves and, in the most extreme cases, killed. In 2005 HMICA published a report on the handling of safety in family proceedings. The research found that courts already operate with an informal presumption of contact, even when there is nothing in legislation to require this. The report said:

"The presumption of contact was evident in all the practice sessions observed during this inspection and there was consistent evidence that inappropriate assumptions about contact were made, rather than assessments about whether there was any risk associated with domestic abuse cases."

More research needs to be carried out by the Ministry of Justice. The forthcoming interim report from the Family Justice Review, likely to be published by the end of this month, may address the matter and its findings should not be pre-empted.

The issue of parental contact was debated in detail in the 2005-06 parliamentary Session during the passage of the Children and Adoption Bill. The resulting Children and Adoption Act 2006 amended the Children Act 1989 to allow greater flexibility for courts facilitating contact and gave courts powers to require parents to undertake a contact activity, such as attending a parenting programme or information session. Following that Bill's passage, the then Government committed to carrying out further research on parental access issues. Any further consideration to alter the current arrangements should result from evidence-based research and further study of the effects of contact on the welfare of the child.

I will offer one case study, that of Vivian Gamor. In 2007 a judge criticised decisions which allowed a mentally ill woman access to her children, whom she subsequently killed. Vivian Gamor, 29, beat Antoine, 10 years old, and suffocated Kennie, three years old, in east London, in January 2007. The judge, Peter Rook QC, said that in

retrospect Gamor should not have been given free access to the youngsters. The serious case review highlighted many problems. It showed that despite reports of some successful contact visits by Ms Gamor and her plan to have the children live with her, further efforts should have been made to contact the children's father, with whom they had been living, to assess the situation before deciding whether to support Ms Gamor's request for further contact. Judge Rook said that

"this terrible tragedy could have been avoided if Gamor had not been allowed unsupervised access and the children's father's grave concerns had been given weight."

Ms Gamor was sectioned for serious mental illness in early 2006 and the children moved in with their father. However, she was later released from care after doctors concluded that she posed no risk to herself or others. Following her release, she was gradually granted supervised access to the children in November 2006, and then, on three occasions, unsupervised access to her children. It was on the third occasion of unsupervised access that Ms Gamor killed her children during the night at her flat, just two weeks after overnight contact had begun.

In conclusion, we should be very wary of diluting the paramountcy principle because it is clear that in any family breakdown, the most vulnerable players are the children. We must continue to have their welfare in mind first and foremost, and nothing that I have heard today or witnessed in the family courts persuades me that a change in the law is required.

Question put (Standing Order No. 23) and agreed to. Ordered.

That Charlie Elphicke, Penny Mordaunt, Priti Patel, Charlotte Leslie, Kwasi Kwarteng, Margot James, Caroline Dinenage, Chris Heaton-Harris, Tracey Crouch, Nadhim Zahawi, Karen Lumley and Jane Ellison present the Bill.

Charlie Elphicke accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 13 May and to be printed (Bill 174).

Points of Order

4.25 pm

Dr Julian Lewis (New Forest East) (Con): On a point of order, Mr Speaker. There are certain politicians who arouse very strong feelings both in favour and against their political initiatives. One such politician is Lord Tebbit. I wonder whether there is any way within the rules of order that we may place on the record our appreciation of his long political career on this his 80th birthday, noting that he has gone from bovver boy to blogger in successive generations.

Mr Edward Leigh (Gainsborough) (Con): Further to that point of order, Mr Speaker. Although you are impeccably impartial, I know that deep in your heart there still lurks a little Tory. You will know the love and esteem in which Lord Tebbit is held on these Benches. May we not have some suitable memorial erected to him—perhaps a bicycle draped in the Union flag and carved in solid British oak?

Mr Speaker: The House should hold to the phrase “impeccably impartial”. I say to the hon. Member for New Forest East (Dr Lewis) that the short answer to his question whether that could be done within the rules of order is no. However, he and the hon. Member for Gainsborough (Mr Leigh) have found a disorderly but very far from disagreeable way to pay tribute to their illustrious colleague. I think that I can safely say that the remarks of both hon. Gentlemen will be appreciated by the noble Lord's admirers and detractors in this House, the other place and around the country on the occasion of his 80th birthday.

Ways and Means

Budget Resolutions and Economic Situation

AMENDMENT OF THE LAW

Debate resumed (Order, 28 March).

Question again proposed.

(1) That it is expedient to amend the law with respect to the National Debt and the public revenue and to make further provision in connection with finance.

(2) This Resolution does not extend to the making of any amendment with respect to value added tax so as to provide—

(a) for zero-rating or exempting a supply, acquisition or importation,

(b) for refunding an amount of tax,

(c) for any relief, other than a relief that—

(i) so far as it is applicable to goods, applies to goods of every description, and

(ii) so far as it is applicable to services, applies to services of every description.

Mr Speaker: I must notify the House that motion 12, which relates to tobacco products duty rates, has not been printed correctly on the Order Paper. The correct version has appeared on the Order Paper on previous days and is available today on a separate sheet. A large number of Members wish to speak in the debate and a time limit of six minutes on Back-Bench speeches has been set. I remind Members not to approach the Chair to inquire where they are on the list. The Chair will do his or her best to accommodate Members in the course of the afternoon, but it will not be assisted by people making inquiries.

4.28 pm

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): In concluding the Budget debate, and recognising what you have just said, Mr Speaker, I will take interventions. However, I will try to make some progress, as many Members wish to get in and many of the points have probably already been made.

I think that it has been an excellent Budget, given the circumstances we find ourselves in. The Chancellor is to be congratulated on focusing on his priorities, which he stated clearly, for rebuilding the shattered economy that we inherited. Let me remind the House that when Labour came to power in 1997 they received a golden economic inheritance, the like of which few Governments since the war have received, which gave them money to spend. Despite that, the painful scar of youth unemployment hardly changed, some 4.5 million were stuck on out-of-work benefits, 1.4 million had never worked at all and we had the largest structural deficit of any G7 economy. Intriguingly, the worst thing is that that point was reached even before the recession had started.

After that, things just got a whole lot worse: 5 million on out-of-work benefits; working-age poverty up; youth unemployment at a record high; more children in workless households than the rest of the European Union; and the largest budget deficit in the UK's post-war history, of more than £150 billion. That deficit is for one year, piling on top of the outstanding debt mountain, and

£120 million is spent on interest payments alone—every single day. There was even talk of an International Monetary Fund bail-out, bringing alive memories of the dark years of the late 1970s—and, of course, the House knows who was in power then.

Geraint Davies (Swansea West) (Lab/Co-op): Does the right hon. Gentleman not agree that two thirds of the deficit—£84 billion—was due to the financial crisis, and that the Budget's overall fiscal tightening is £98 billion? Does he not agree that he is going too far, too fast, savaging whole communities, choking growth with cuts and stoking up inflation with VAT? Is that not completely wrong? That is why so many people marched against it.

Mr Duncan Smith: That gives me an opportunity to put the shadow Chancellor right. He said in one of the Budget debates last week that the structural deficit was low as we entered the recession. We had the highest structural deficit in the whole developed world, and intriguingly he is in denial about that, so whether he talks about debt or deficits, in reality as we entered the recession, the economy had been badly run, leaving us with a record structural deficit.

Importantly, what has been Labour's response as a result of that? Acceptance that it had lost control; perhaps even a little humility? Not a bit of it. Instead, we have seen a desperate scramble to find almost anybody else to blame for the problems, and it appears, even today, no attempt to make any amends publicly. In the Labour playbook, the previous Government were just innocent bystanders in somebody else's evil game. Poor old Britain. Apparently, we were just minding our own business when along came some nasty industrialists and bankers who ganged up on us in some international capitalist conspiracy. It is like some ghastly, poor script. It really does read like some really poor script from an Austin Powers movie, and I am pretty sure that any minute now the shadow Chancellor is going to try to blame Dr Evil and bring him into the script as well.

Hazel Blears (Salford and Eccles) (Lab): Is the right hon. Gentleman suffering from some kind of amnesia? Has he forgotten that, after some 20 years of the previous Conservative Government, we had almost 3 million people unemployed? In two of my inner-city wards, I had 50% male unemployment and 75% youth unemployment. Is the right hon. Gentleman about to embark on the same mistakes that caused such massive unemployment after 20 years of the previous Tory Government?

Mr Duncan Smith: It is always a pleasure to give way to the right hon. Lady, because if anything she is always honest with her own side. I understand that quite recently she said that her own party had been pretty much unrealistic about the situation, and I seem to recall that she even said that it should be more specific about what reductions it would make. She was a part of a governing party that left this country with the worst recession, the worst deficit and massive debts, so I do not need to explain where we were in '97; she needs to explain why we got to where we were at the last election.

Mr Oliver Heald (North East Hertfordshire) (Con): Does my right hon. Friend think that it is actually the right hon. Lady who is something of an amnesiac? She

seems to have forgotten the £5 billion a year taken out of pensions, and the fact that Labour sold the gold.

Mr Duncan Smith: Indeed. My hon. Friend is, as ever, right.

It is worth reminding—

Emma Reynolds (Wolverhampton North East) (Lab): Will the Secretary of State give way?

Mr Duncan Smith: No. I am going to make some progress, because Mr Speaker has already told us that we need to let others speak.

Let me remind Labour Members that they were the ones who let the bankers rip as they pleased, leading to a 10-year spending spree that sent personal debt to the record level of £1.3 trillion. They let public spending rip, too, but Members should not take my word for it; strangely, Tony Blair—not now spoken about much on the Labour Benches—said that

"from 2005 onwards Labour was insufficiently vigorous in limiting or eliminating the potential structural deficit."

Insufficiently vigorous? That is possibly the biggest understatement that I have ever read. The reality is that they did nothing at all about controlling the deficit, so it is small wonder that the No. 1 priority for this coalition Government was to get the finances straightened out, and my right hon. Friends the Chancellor and the Chief Secretary are doing just that.

Emma Reynolds rose—

Mr Duncan Smith: I will give way to the hon. Lady, and then I am going to make some progress.

Emma Reynolds: Why, then, did the right hon. Gentleman's party pledge to match our spending plans right up until the start of the financial crisis?

Mr Duncan Smith: What we are dealing with here—[HON. MEMBERS: "Ah!"] I will tell Labour Members what the big "Ah!" is. It is "Ah, who were in government for the past 12 years?", it is "Ah, who left us with the worst structural deficit?", and it is "Ah, who left us with massive debts, rising youth unemployment and a total shambles from which we are going to have to pick up the pieces?"

One of our biggest challenges was getting to grips with the welfare system, which many Members on both sides of the House will recall. Spending on working-age welfare increased by some 50% under Labour, from £48 billion to £73 billion in real terms. People talk about the problems of increasing welfare spending in difficult times, but let me remind the House that that increase took place during a period of growth. Notwithstanding that extra spending, improvements were quite poor. The universal credit is about getting the incentives right. That is the sort of reform that we have to bring through, recognising that people have to see the financial benefits from taking up employment, and simplifying the byzantine benefits system that we inherited. Alongside it, the Work programme is about supporting people to be work-ready so that British business no longer has to look abroad when it wants to commit to bringing in employees.

[Mr Duncan Smith]

We are finally getting to grips with a housing benefit system that has been allowed to run out of control. The failure to reform housing benefit has left us in the absurd situation whereby some benefit claimants can claim up to £100,000 a year to live in large houses in expensive areas. The local housing allowance formula was behind all this madness. I remind Labour Members that it was their Government who introduced the local housing allowance, which pumped fuel into that growth. The difference between the average award under the LHA and under the older schemes for private deregulated tenants that it replaced was an additional £10 per week, or about 10%. As a result, the costs of housing benefit rocketed from £14 billion in 2005-06 to £21 billion in 2010-11. Left unreformed, the housing benefit budget was projected to reach £24 billion in 2014-15. That is, frankly, unsustainable and unacceptable to hard-working British taxpayers.

Housing benefit is an issue on which Labour Members have shown themselves at their very worst. First, we got ludicrous claims about social cleansing from central London, whipping up fury and fear. [HON. MEMBERS: "That started with you."] No, it started with them, and I know exactly who it was. Then, on top of that, we were told that the real reason was that we are a Government bent on some kind of plan for ethnic cleansing. Labour Members are not averse to a bit of dog-whistle politics when it suits them, scaring some of the most vulnerable people in society and leading them to fear what is coming next.

The problem is that the Labour Government had over 10 years to get to grips with the welfare system, and literally nothing was done about it—it was fiddle, more fiddle, and more expense. The Office for Budget Responsibility has confirmed that as a result of the changes to expenditure that we brought through, we remain on track to eradicate our structural deficit over the course of this Parliament.

It is important, too, to reflect on how the Budget for growth has gone down with people. Sir Martin Sorrell says:

"The coalition from the very beginning had said it was crucially important that Britain had a competitive tax landscape. They've gone further than I expected on corporate"

tax

"and also on personal taxation."

He went on to say that

"it looks as though we will make that recommendation"

to return his company's headquarters to the United Kingdom. That is a real endorsement.

A letter in *The Daily Telegraph* yesterday from 39 leading venture capitalists stated:

"These changes are a shot in the arm for enterprise. Thanks to them Britain is being positioned as a world-class place to launch new businesses. Now British entrepreneurs and those relocating to Britain will find it easier to raise the funds they need to do what they do best: create and expand world-beating businesses."

John Cridland, the CBI director general, said:

"This Budget will help businesses grow and create jobs. The chancellor has made clear the UK is open for business."

Alec Shelbrooke (Elmet and Rothwell) (Con): Hear! Hear!

Mr Duncan Smith: Quite right; thank you for that.

David Rutley (Macclesfield) (Con): I wonder whether my right hon. Friend has seen the latest statement from the Institute of Directors, which says that 58% of company executives are now more confident about the long-term economic outlook, and that just 9% are less optimistic.

Mr Duncan Smith: I am bowled over by that—what can I say? That was a timely intervention by my hon. Friend. I apologise for not producing that point myself. It is yet more evidence that this Budget, which was shaped by my right hon. Friends the Chancellor of the Exchequer and the Chief Secretary to ensure that Britain is open for business, has opened it for business. That is what business men are saying.

I want to bring one more person to the attention of the House. This tribute is perhaps more difficult for the Opposition to cope with. It is from none other than Duncan Bannatyne—a great name. He said:

"This Budget has convinced me that George Osborne is serious about growth and enterprise."

I remind the Opposition that he was a huge and strong supporter of the previous Government. Even when almost every other business man had deserted them, he still supported them. To use his own wise words, he has said, "I'm in!" I think that the rest of the country is too.

Getting to grips with the public finances is just the starting point, not the destination. Of course we have to balance the Budget, but this Government are about much more than that. Our ambition is to make the next decade the most dynamic and entrepreneurial in Britain's history. That is why we have set out plans to create the most competitive tax system in the G20. That is why we are reducing the rate of corporation tax yet further from 28% to 26% in 2011-12, and crucially, all the way down to 23% from 2014-15. That will give the UK the lowest rate of corporation tax in the G7. I thought that I would hear a cheer from the Opposition for that, because they must surely want that to happen. Perhaps they do not.

That ambition is why we are making the UK the best place in Europe to start, finance and grow a business. We are supporting small firms with a moratorium on domestic regulation, which will give them a real chance to plan and to get going. We are investing £100 million in science capital development. That ambition is also why we are encouraging investment and exports as a route to a more balanced economy. We are setting up 21 new enterprise zones with superfast broadband, lower taxes and low levels of regulation and planning controls.

From our perspective, we can see that even as the economy grew under the previous Government, too many people in this country missed out. More than half the additional jobs that were created went to foreign nationals. It is therefore hardly surprising that youth unemployment was higher when we came into office than when Labour took power. As growth picks up again, we have to ensure that this group does not miss out once more. Some 900,000 additional jobs will be created over the course of this Parliament, and our welfare reforms are about ensuring that our people are ready and able to take them.

The previous Prime Minister spoke about British jobs for British workers, but the reality is that most of the jobs did not go to British workers. That point is not

about immigration, but about supply and demand. We have to ensure that British workers are ready and able to take the jobs. That is why this Budget introduces new and hugely welcome measures to provide extra support for young people. They will be helped to find sustainable jobs in the private and voluntary sector. We will fund an additional 50,000 apprenticeship places over the lifetime of this Parliament, and importantly, 40,000 of them will be targeted at the young unemployed. That is on top of the 75,000 places announced last year.

Overall, with the new measures in the Budget, the Government will deliver at least 250,000 more apprenticeships over the next four years compared with the previous Government's plans. Those apprenticeships will be very valuable, because they will give young people in particular, but others as well, real training, real skills and a proper job at the end of it.

Alongside that, we are aiming to assist in the process of getting apprenticeships by providing up to 100,000 work experience places over the next two years. Those placements will last a minimum of eight weeks, rather than the two weeks made available under the previous Government. We will also offer employers an extra linking month when it will provide a route into an apprenticeship. If an employer says after the eight weeks that they will put a young person into an apprenticeship, or even into work, we will be prepared to give the young person an extra month of work experience so that the employer can sort out whatever is necessary without having to let them drop out of the company.

That work experience will be a crucial head start for young people. As David Frost of the British Chambers of Commerce said in January:

"Employers will be key to getting young people into work. This programme is a way of not only providing quality work experience but also of introducing individuals to the modern world of work."

The programme has also got the backing of Hayley Taylor, star of Channel 4's "The Fairy Jobmother" series, whom I saw the other day—a great woman. She has said:

"It's hard to get a job with no experience, and you can't get experience without a job. That's why this work experience scheme is a really good idea."

However, this Budget is not just about securing the position of workers today; it is also about securing their position in the future, as they enter retirement. We have done a great deal for current pensioners. We have restored the earnings link and given a triple guarantee that the basic state pension will rise by the highest of the growth in average earnings, the prices increase or 2.5%.

Stephen Lloyd (Eastbourne) (LD): Hear, hear.

Mr Duncan Smith: Yes, exactly. That will provide a really generous state pension that gives a firm financial foundation. Someone retiring today on a full basic state pension will receive £15,000 more over their retirement than they would have done under the old prices link. We have also permanently increased cold weather payments from £8.50 to £25.

Notwithstanding the prospects of today's pensioners, the prospects for the next generation are very different. I hope that Members of all parties will recognise that those who are not near to receiving their pension, and who perhaps are just starting their career, face a very difficult time indeed.

Albert Owen (Ynys Môn) (Lab): On the subject of pensioners, was the Secretary of State as disappointed as I was that the Chancellor did not have the guts to mention in his Budget statement that he was reducing the winter fuel allowance from £400 to £300? His decision not to continue with the £400 payments comes after he said they would be protected and permanent in future. Some 12 million pensioners will be upset by the Government's policy not to continue with them at a time when bills are going up year on year.

Mr Duncan Smith: I am interested that the hon. Gentleman raises the matter, because it was originally mentioned in the comprehensive spending review. We have stuck to the last Government's plans on the winter fuel payment. In fact, I was intrigued by the issue so I looked up what the right hon. Member for Edinburgh South West (Mr Darling), who is in his place, said when he was Chancellor. He said a lot of straightforward things, and I congratulate him on that. He said about the winter fuel payments that they

"were temporarily increased to £250, and £400 for the over-80s... I will guarantee this higher winter fuel payment for another year."—*[Official Report, 24 March 2010; Vol. 508, c. 263.]*

When we look at the Red Book produced at the time, we find that there was no allocation for any more winter fuel payments. We stuck to the last Government's plans. Perhaps the hon. Member for Ynys Môn (Albert Owen) should ask his right hon. Friend why he did not plan for more. We did exactly what we said we would do.

The real problem is that 7 million people are not saving enough for the retirement that they want, and few will be able to rely on a guaranteed income in retirement, because the numbers saving in defined benefit schemes in the private sector have more than halved in the last 20 years. In fact, less than half of the entire working-age population is currently saving in a pension at all.

Our plans automatically to enrol all workers in a pension scheme will make a real difference—we have continued the work started by the previous Government—but my hon. Friend the Minister and I do not think that auto-enrolment will work unless it pays people to save, which is why we have determined finally to get to grips with the state pension. As all hon. Members know, not only is the state pension extremely complex, leaving millions of people unsure as to what they will receive in retirement, but it completely fails to reward those who make the effort to save but who do not quite get there.

Too many people reach state pension age having scrimped and saved all their life to find that others, who have not saved or who have made no effort to save, get the same income as them through pension credit. The Budget is about rewarding those who do the right thing, which is why we will shortly publish a Green Paper on state pension reform, with an option for a single-tier state pension, which will provide a clear foundation for saving. We currently estimate that it will be set at around £140 a week, which is above the level of the means-tested guarantee credit, but we must send out the clear message across the welfare and the pension systems that people will be better off in work than on benefits, and better off in retirement if they save.

Glenda Jackson (Hampstead and Kilburn) (Lab): If the change in the pension system is to benefit the whole country and all pensioners—current and future—why

[Glenda Jackson]

have the Secretary of State's policies targeted specifically women born between '53 and '54? They expected to retire, but now discover that they must work at least four years longer. That does not strike me as a policy that benefits the entire population.

Mr Duncan Smith: The hon. Lady's comment on working four years longer is simply incorrect, but I take what she says. The reality is that the Government are doing what we were asked to do—equalise the ages—and increasing the age to 66. I recognise the group she mentions, but they will be covered and supported in other ways anyway, so this is not a loss—

Glenda Jackson: It is a specific, targeted group.

Mr Duncan Smith: It is not a specific group in the sense that they were targeted. That policy is part of trying to get the pensionable age up first to 65, and then to 66.

Mr Frank Field (Birkenhead) (Lab): The House will be pleased that the Government want to move to a standard pension of about £140 a week, but how will that be paid for? Will it be by pooling the contributions of those who have already paid under the national insurance and state earnings-related pension schemes? If so, how many will lose out, and what sort of message would that send to people about saving?

Mr Duncan Smith: First, we will publish the Green Paper very shortly. We are finalising it, so I do not want to get into the full detail now, but I promise the right hon. Gentleman that we will answer all such questions. Less means-testing is the key. I leave him with that thought, but I will tantalise him not much longer: there is some really good stuff coming in the Green Paper, and I am sure he will find every reason to support it, given that he has been so positive about pensions for many years.

Alec Shelbrooke: Like many hon. Members, I have received representation from constituents who wonder why there is a two-year jump in the pensionable age. Will the Secretary of State outline why that must be done?

Mr Duncan Smith: That is to do with the process of equalising, which we are doing slightly faster. It is in the interest of the nation and individuals for us to do that. If we do not do it, there is a cost implication, which could be as high as £10 billion. I say simply to my hon. Friend that if the Opposition and others do not want to do that, they should please let us know where they think the money will come from.

We are making responsible choices for the British economy. I am particularly proud of the decision we took with my right hon. Friend the Chief Secretary to the Treasury on the potential for a single-tier pension. That is in stark contrast, I think, to the mess we saw from the previous Government. What is interesting is that the Labour party has been out of power for 10 months, but listening to what Labour Members say about the current situation, one would think that it has been more like 10 years and that they had nothing to do with it.

They do not know whether they are coming or going. Interestingly, half of them seem to support the Darling plan, and the other half do not. For the shadow Chancellor, it rather depends on who asks him, when they ask him, and what time of day it is.

It seemed that the Labour party would not cut, but then we heard that theoretically it would. More frightening still, it has made it clear how it would spend more of our money. Notwithstanding the plan set to start on 1 April, in the past month or so, the Opposition have made some £12 billion of unfunded spending commitments, which actually makes their spending profile even worse. They will tell us that it would all be funded by an extra tax on the banks. Oh dear! I remember that they used to attack the Liberal Democrats for making a similar claim over the extra 1p on income tax. They said, "This is the longest p in history." Well, this is now the biggest, longest tax in history. It would have to be raised at least six times to pay for the sort of commitments they have engaged in. However, we should not be surprised to discover that fiscal mathematics is not Labour Members' strong point.

Now we see the Leader of the Opposition joining a march for an alternative solution. I personally hope he has found it, but I do not think he did on the podium the other day. Instead, we see that he is now linked with some of the great names of history: the suffragettes, the anti-apartheid movement and Dr King in America. I am pleased that the Leader of the Opposition also has a dream, but for us it is not having a dream that matters, but that soon enough he should wake up and smell the coffee. The reality is that this Government are sorting out the deficit; this Government are getting Britain back to work; this Government are dealing with the mess that Labour left; and meanwhile they are in denial.

4.57 pm

Mr Liam Byrne (Birmingham, Hodge Hill) (Lab): I know that the Secretary of State learned some time ago that attack is the best form of defence, but I expected him to do a better job of defending the Budget that we heard last week. The Budget debate started with no acknowledgement that growth was coming down—and the same is true of its conclusion. The right hon. Gentleman refused to admit that this so-called Budget for growth has knocked 0.5% off the rate of growth this year and next, put unemployment up by 200,000, and is putting the benefits bill up through the roof—and he seems to think that we are the ones in denial.

A fortnight ago, the Minister of State, Department for Work and Pensions, the right hon. Member for Epsom and Ewell (Chris Grayling), who has responsibility for work, was rolled through the television studios and asked to give his progress report on how well the Chancellor had done in his first year. He was asked to report on how good a job the Chancellor was doing of getting the country back to work. Fifteen months after the end of the recession, the House could be forgiven for expecting unemployment to be falling rather than rising. However, at the very point when unemployment should be falling, the Minister was forced to report that it was actually rising. He decided to choose his words very carefully. He said that the jobs market was "stabilising".

Last week it was left to the Chancellor to tell us that the jobs market was doing nothing of the sort. He did not dare spell it out, but in the fine print of the Budget

we learned the truth: this is not even the beginning of the end. His first year has gone so well that unemployment, which should be falling, is set to rise until the summer. In fact, it is not expected to fall below 2.5 million until way through next year. Now we face the prospect that unemployment is not going to fall below 2 million for the rest of this Parliament.

Kwasi Kwarteng (Spelthorne) (Con): Will the right hon. Gentleman give way?

Mr Byrne: Perhaps the hon. Gentleman can tell us what he thinks of that.

Kwasi Kwarteng: Will the right hon. Gentleman remind the House which member of the previous Cabinet wrote a note saying, "There's no money"?

Mr Byrne: I would rather have written a bad joke in public than a bad Budget in public.

Now we know—and now the Secretary of State has been forced to admit—that unemployment is not going to fall below 2 million. He will remember, just as we remember, the last time that happened. For those with long memories, what has happened is all too familiar. The last time the Tory party was in office, it took a couple of years to get unemployment above 2 million, but after that it did not fall below 2 million for 18 years, until the Labour party was elected in 1997. Now the Government have decided that that record of the 1980s is worth a rerun, or something of a repeat, because there is one thing that has not changed: the Conservative party still believes that unemployment is a price worth paying.

Alec Shelbrooke: I am grateful to the right hon. Gentleman for giving way, and I am listening carefully to him. While we are discussing the figures, does he welcome today's news that construction grew by 2.3% in quarter four, and that productivity was also up?

Mr Byrne: Of course, and the hon. Gentleman will also recognise that, despite the fact that we are some way out of the recession, today's figures also confirmed that in the last quarter for which records are available, the economy shrank. I am not sure that that is a record of which he can be proud.

In the circumstances, I would have thought that the House could expect to hear rather more from the Secretary of State about what the Budget would do to get people back into work. The Office for Budget Responsibility is well aware of the Secretary of State's Work programme and the Chancellor's tax breaks on offer for business, yet its conclusion was the cold fact that unemployment will continue to rise. Every time the Chancellor stands up at the Despatch Box to deliver a Budget, he revises down his forecast for growth and revises up his estimate for the number of unemployed people in our country. He is costing this country a fortune.

What, then, did this Budget offer for jobs? Incredibly, it said that by the first quarter of 2013, unemployment would be 200,000 higher than was forecast just last October. What a triumph! Under the circumstances, we could have expected a rather bigger push from the Secretary of State and his right hon. Friend the Chancellor to get people back to work. After all, his Minister for

the unemployed, the right hon. Member for Epsom and Ewell, told the Select Committee on Work and Pensions on 14 March:

"If there was a very substantial change in the labour market, one way or the other, frankly, that is the kind of circumstance in which we might need to revisit some of the assumptions."

Well, 200,000 more people on the dole sounds like rather a substantial change to me.

What is the Government's response? Some £20 million for work experience. This morning I had a look at the Secretary of State's accounts for January. It would appear that his new work placement scheme, which was so proudly trumpeted this morning, will cost less than his Department spends on stationery every year. At the very least, we would have expected more resources for the Work programme. The Prime Minister is fond of telling us that the Work programme is

"the biggest back-to-work scheme this country has seen since the 1930s."—[*Official Report*, 16 February 2011; Vol. 523, c. 951.]

In fact, as the BBC has shown, there are 250,000 fewer places on it than Labour had last year, when unemployment was lower. The association of bidders for the Work programme now has so much confidence in the Secretary of State's plans that it says:

"the design of the Work Programme is fraught with risks which may impact significantly on the number of unemployed people who can benefit from it"

That is hardly a vote of confidence. When my hon. Friend the Member for Westminster North (Ms Buck) asked the Secretary of State how much extra he had received from the Treasury to get people back to work, he refused to give her a straight answer, and we all know what that means: that he asked for nothing and he got nothing. With unemployment now forecast to rise, the very least that we could expect from this Secretary of State is to stand up for his Department, fight his corner and get some extra help to get this country back to work.

Mr Tobias Ellwood (Bournemouth East) (Con): The right hon. Gentleman understands that whoever had won the last election would have had to introduce some tough measures, and we are experiencing those now. Bearing in mind that all other recessions have seen unemployment rising, is he genuinely telling the House that if Labour had won the last general election, unemployment would be continuing to fall today?

Mr Byrne: Absolutely. We expected and anticipated falling unemployment, because what we were not doing was cutting so much so fast, or damaging the rate of growth in this country.

Mr Ellwood: The right hon. Gentleman is being very generous in giving way, but this is an important point. Labour was in denial before the election about introducing major measures to bring the economy under control. Labour now knows—as we have known—that important measures needed to be introduced after the election. That is what is causing the difficulties now. He is now saying, "Yes, you'd be able to bring those measures in without having any effect on employment." That is completely wrong; he misleads the House.

Mr Byrne: Well, let us go through it, shall we? The deficit plan that we put in place would have involved £57 billion-worth of discretionary action—[*Interruption.*]

[Mr Byrne]

Will the Secretary of State just pause for a moment? I know that he has read all 40 pages of chapter 6 of the Budget that was published in March last year, but let me just remind him of their contents: £57 billion-worth of discretionary action; £19 billion-worth of tax rises; and £38 billion of cuts, £18 billion of which would have fallen on capital, and £20 billion of which would have fallen on current expenditure, of which £12 billion would have fallen in Whitehall, £5 billion would have fallen on lower priority projects and £3 billion would have been achieved through a pay freeze and asking public sector workers to—

Mr Deputy Speaker (Mr Nigel Evans): Order. I just want to clarify that the hon. Member for Bournemouth East (Mr Ellwood) meant that the right hon. Gentleman was inadvertently misleading the House.

Mr Ellwood: Of course.

Mr Deputy Speaker: Thank you.

Mr Byrne rose—

Mr Duncan Smith: Will the right hon. Gentleman give way?

Mr Byrne: Of course.

Mr Duncan Smith: Now that the right hon. Gentleman is into the Darling plan, will he specify what those cuts are, what he supports right now, and therefore what the plan really is? After all, it was due to come into force three days from now.

Mr Byrne: I have just gone through them. They involved £57 billion-worth of discretionary action—[*Interruption.*] The difference between us—[*Interruption.*] Well, let us take the Secretary of State's own Department. Regarding the £18 billion savings in annually managed expenditure, we said that where there is a temporary switch from RPI to CPI for the next three years, we will support that; where there is a need to reform the disability living allowance, we will support it; and where there is a need to introduce new limits on employment and support allowance, we will support that. We do not think, however, that the Government should introduce reform simply by cutting. They should couple some of those reforms with the need to look again at the support that working families actually need.

Mr Duncan Smith: Okay, now we are into this specifically. DLA reform has a line item in the Budget of about £1.4 billion in savings. Does the right hon. Gentleman consider that to be a reduction that he supports?

Mr Byrne: The Secretary of State put in place a programme to make the cut before he figured out what reform was actually needed. He is under such pressure from disability groups because he is not listening to the voices of disabled people in this country telling him what kind of support they need in order to live full and fulfilling lives. That is because he is locked into a programme that is putting more people on to the dole and sending benefits bills through the roof. He is beginning

to fracture the bonds of support between the Government and the people in this country who need extra help. He should not be abolishing DLA; he should be reforming it. He should also start listening to the needs of disabled people.

Mr Duncan Smith: I am intrigued by this. The right hon. Gentleman now seems to be at odds with his shadow Chancellor, who in his opening speech in the Budget debate last week, in response to a specific question about what spending cuts he wanted in the coming year, said:

"We said...that we would go ahead with the disability living allowance gateway reforms."—[*Official Report*, 24 March 2011; Vol. 525, c. 1142.]

That involves £1.43 billion. Does the right hon. Gentleman support that now?

Mr Byrne: No, because we have not specified—[HON. MEMBERS: "Ah!"] We have not specified the level of cuts or savings that we think should come from DLA. The Secretary of State knows as well as I do that we believe that a gateway should be introduced for DLA—[*Interruption.*] He should listen to this, because it speaks to the concerns of millions of people with disabilities. He has said that he is going to cut £1.4 billion from DLA, and, in written answers to the House, he has said that 170,000 fewer people will receive that benefit in the future—[*Interruption.*] The Secretary of State might just want to listen to the implications of this. It is a bit late for him to be getting a briefing on his DLA reforms from his own Minister, the Under-Secretary of State for Work and Pensions, the hon. Member for Basingstoke (Maria Miller). If he is cutting DLA for 170,000 people and cutting £1.4 billion from that benefit, £8,500 will be cut from each of those 170,000 families. Will he intervene on me again and tell me whether he understands that that is the implication of his benefit cut?

Mr Duncan Smith: I have a very simple question. The shadow Chancellor said that he supported the reform, which has a very simple line item in the Red Book. The right hon. Gentleman now says that he does not support it. This is the problem: the Opposition have no idea what they are doing. No wonder the British public are fed up with them.

Mr Byrne: We have made it quite clear that we support reform of DLA, but what we do not support is a top-down, cuts-driven agenda that will deny support to 170,000 disabled people in this country. That is the wrong approach; the Secretary of State needs to think again.

Alec Shelbrooke: The right hon. Gentleman is most generous in giving way. I have just listened, as has the rest of the House, to a whole host of numbers that he reeled off relating to where cuts would be made, but he has not said where those cuts would be made, or what exactly would be cut. Will he enlighten the House?

Mr Byrne: The deficit reduction plan that we put in place is spelt out in 38 pages of the March 2010 Budget. Will the hon. Gentleman tell me whether he has read it? [*Interruption.*] No, obviously not.

Mr Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): Does my right hon. Friend share my astonishment that the Secretary of State can produce savings figures, yet when we put specific questions to him we are told, "This is a matter for review"?

Mr Byrne: Precisely right. Indeed, the Secretary of State presented to the House of Commons a Bill that would abolish DLA before he had even bothered to finish consulting people up and down the country about what the reform of DLA should look like.

One of the greatest failures stemming from the Secretary of State's inability to extract further money from his right hon. Friend the Chief Secretary to the Treasury is, of course, the failure to get young people back to work. I met a delegation of young people from my constituency this morning and I asked them what they thought of the Government's plans. Their thoughts were very simple: it just seems, they said, that the Government are stopping young people being what they could be. I could put it no better myself. Youth unemployment is now approaching 1 million. The Secretary of State likes to pretend—he did it again this afternoon—that this is somehow a problem that he inherited. *[Interruption.]* What he fails to remind us is that in the final nine months of our term of office, youth unemployment was falling by 67,000.

I know that the right hon. Gentleman is fond of quoting figures that do not include the number of people in higher education, for example. Fine: let us look at what the figures tell us. Since the election this is what has happened: after nine months in which youth unemployment was falling, it is now going up by 60,000—and that when the economy is supposedly growing. All the good work we did is now completely undone.

Mel Stride (Central Devon) (Con): The right hon. Gentleman said that if Labour had won the last election unemployment would, of course, be falling. He raised the issue of youth unemployment, so will he inform the House whether youth unemployment fell or rose during the period of the last Labour Government?

Mr Byrne: All unemployment fell. Then, once the scale of the global recession we confronted became apparent, it of course went back up again. What we never had under a Labour Administration is unemployment going up through the 3 million mark—not once but twice, as it did under the Conservatives. Every job lost is a tragedy for one family, and all the jobs lost are a tragedy for all of us—and, indeed, for the Exchequer. Lost jobs mean not only that our performance as a country cannot match our full potential, but that a bill is created that we all end up paying.

The Governor of the Bank of England has warned us of what is to come. He says that we now confront the biggest squeeze on living standards since the 1930s, and that because this Government's economic plan is creating so few jobs, there is less and less demand for workers. Now there are five people chasing every job and the growth in people's pay packets and wages is slow. The Office for Budget Responsibility forecasts 2% earnings growth this year, 2.2% next year, but when prices are growing by more than 5% this year and 3.6% next year, the squeeze on family budgets is now all too obvious.

In the circumstances, one would have thought that the Government would step in to help. Not a bit of it. Next month 10 Tory raids on the family budget get into full swing: tax credits cut for families earning more than £40,000; tougher criteria on families wanting to claim family support; reducing the income disregard; freezing basic rates of working tax credit; removing the baby element of child tax credit; reducing payable costs of child care; abolition of grants for pregnant mums; £500 taken away from families with more than one child; child benefit increases ruled out for another three years; and cancelling the child savings accounts.

This Government are proud of some of the measures foisted on them by Liberal Democrat Members. I am sure that is right. Once we take this list into account, however, £1.1 billion is going to be stripped from family budgets starting from next month, with another £300 million coming from children. By the end of this Parliament, £16.5 billion will have been taken out of family pay packets.

Richard Drax (South Dorset) (Con): Will the right hon. Gentleman give way?

Mr Byrne: No.

Why are the Government not doing more to help? Because the cost of economic failure is sending the benefits bill through the roof. Last week we learnt from the detail of the Budget book just how big that bill has now become.

This afternoon the Secretary of State liked to boast about his reforms of housing benefit, but forgot to tell the House that the housing benefit bill is projected to rise by more than £1 billion in the next few years. In the small print of the Budget we saw something more: his benefits bill over the next few years is now projected to increase by £12.5 billion. That is £500 for every household in the country.

Almost as shocking is what will happen to the unemployment bill as a result of the Secretary of State's great endeavours to get so many extra people back to work. When the Chancellor came to the House last year, he somehow forgot to tell us that as a result of his Budget higher unemployment figures would increase the dole bill by £700 million. Now we learn that it is going to go up again, by another £1.9 billion. In other words, since the Government came to office they have put the unemployment bill up by £2.6 billion. That is an indictment of their record in getting people back to work. In fact, £2.6 billion is the same amount that the Government are cutting from tax credits for people with children. The right hon. Gentleman is cutting support for our children in order to pay the bills for his economic failure.

What does this mean for the average British family? A single earner family with a child and an income of £23,000 will lose £400 a year. The Secretary of State may not care about what is happening to ordinary families, but I assure him that plenty of people are interested in the bills for his economic failure. Households with child care costs will be hit even harder. A family with average child care costs will lose nearly £500 a year, and for some it will be even worse. A single earner on the minimum wage with two children will lose more than £2,000 a year—6.5% of his or her income. Even for low earners, any gains that they make as a result of

[Mr Byrne]

changes in income tax and child tax credits will be wiped out by the VAT rise. The Secretary of State is squeezing Britain's families harder than ever to pay for his failure to get the country back to work. Does that not sound all too familiar?

Stephen Lloyd: In my constituency, the average family household earns £27,500. According to the BBC's calculator, if the household contains two children under 16 and both parents are working, the family will be just over £700 per annum better off as a result of the Budget.

Mr Byrne: But the challenge from this Budget is that there are simply not enough winners, because the bills for sending people to the dole queue rather than back to work are now going through the roof. Surely the hon. Gentleman recognises that more than £2.5 billion in extra dole bills does not constitute a wise use of public money. If only the Chancellor would do more to get people back to work, the squeeze on working families would not be anywhere near as hard.

Finally, we must ask what the Budget means for some of the most vulnerable people in our country—the people who are in need of help from the wider community, and those who need extra support in order to live a full life in one of the world's biggest economies. I know that, like me, the Secretary of State believes that a country as rich as Britain should have high, not low, standards of civilisation and compassion—but the Chancellor is pressing ahead with measures that will deny thousands of people their independence. The question that the House must ask is: what is the Secretary of State doing to stop it?

The right hon. Gentleman told the House yesterday that after his review of DLA had been completed the mobility component for people in care homes would still exist, but he still cannot explain why the Chancellor announced that he was taking £400 million more out of the mobility component than previously planned. The Budget confirmed that he would press ahead with his abolition of DLA. I repeat that we support the right kind of reform of DLA, but no matter how he tries to dress it up, he is taking £2.9 billion out of a well-targeted benefit, and he himself is saying that 170,000 fewer people will receive the benefit by the end of the Parliament. That is £8,500 per family. With figures like that, surely he can understand why so many people with disabilities up and down the country are so worried.

Finally, it was confirmed in the Budget that the Government are pressing ahead with their plans to limit employment and support allowance to just one year. The Secretary of State has a chance to fix that in Committee on the Bill, but the Budget confirmed an ambition to save £3.5 billion from people on ESA. However, he knows as well as I do that many people do not recover from cancer in under 12 months, and he also knows that cancer charities up and down the country are now asking him to think again.

The Minister of State, Department for Work and Pensions (Steve Webb): Will the right hon. Gentleman give way?

Mr Byrne: No, because I want to make an important point to the House. The Minister's Department knows that three quarters of cancer patients still need ESA after one year. The message from the charities to the Front-Bench team was blunt. They say:

"this proposal, rather than creating an incentive to work, will lead to many cancer patients losing their ESA simply because they have not recovered quickly enough."

Will the Minister confirm that he will withdraw this terrible measure?

Steve Webb: I am grateful to the right hon. Gentleman for giving way. He tried to frighten disabled people by saying the average DLA loss was £8,500 per year. Does he think that figure is right?

Mr Byrne: Well, the Minister will know as well as I do how much he is cutting from DLA, and he knows as well as I do how many people he anticipates will receive the benefit in the future. He can do the maths as well as I can. The obligation is on him to come clean and be straight with people with disabilities. What will the reform of DLA mean for them? Will he drop this measure from his Bill?

This afternoon we have heard a pretty poor defence of a Budget that puts more people out of work, fails to deliver on ambitions for our young people, and hits families harder than ever to pay the bills of economic failure. Worse still, it begins to endanger the contract of a proud and civilised country with the people who need help most. This is not a big society; it is a society in which the bonds that tie us together are weaker and weaker. This is not a Budget that is working; it is a Budget that is hurting—and the Chancellor should think again.

Several hon. Members rose—

Mr Deputy Speaker (Mr Nigel Evans): Order. Please resume your seats. As Members can see, more than 40 colleagues have applied to take part in today's debate, so there is a six-minute limit on speeches, with the usual injury time for two interventions. As happened yesterday, persistent interveners will be moved down the list. I also remind Members of Mr Speaker's instruction to them not to approach the Chair during the debate to find out where they are on the list. Those who can finish their speeches in less than six minutes will be helping colleagues. I call Mr Peter Lilley.

5.23 pm

Mr Peter Lilley (Hitchin and Harpenden) (Con): I congratulate my right hon. Friend the Chancellor on sticking to his plan to reduce the Budget deficit. Far from these cuts being too much, too deep, too soon, I believe that what he has proposed is the minimum over the longest credible period that we can reasonably expect will enable us to avoid the sort of financial crisis that has hit many neighbouring countries.

I want to address an illusion. The right hon. Member for Birmingham, Hodge Hill (Mr Byrne), whom it is normally a privilege to follow, based his speech on it, and it permeated the speech of the Leader of the Opposition at the weekend when he addressed the large rally on cuts. It is the illusion that we can have something for nothing. We live in a world of finite resources. If we

spend more on one thing, we have to spend less on another. If we spend more now, we must expect to spend less—substantially less—in future, when we repay our debts with compound interest. The Opposition do not seem to realise that. I would be more than happy to engage in debate with either of them if when they advocated the restoration of spending in one area, they simultaneously spelt out the additional cut they intended to propose in another area of spending, but they never do so and the right hon. Member for Birmingham, Hodge Hill did not do so today. As long as hon. Members refuse to spell out alternative cuts to those that they reject, rational debate in this place is simply impossible.

Mr Deputy Speaker, I know that you are well aware that the ancient states of the Peloponnese resolved these problems by rules of debate that required those advocating increased spending on programmes that would require extra taxation or more borrowing to stand up in the public forum on a platform and argue their case with a noose around their neck. If they succeeded in persuading their fellow citizens of the need for increased spending and taxation, the noose was removed, but if they failed, the platform was removed. I understand that this healthy discipline meant that those states remained solvent for centuries on end.

Mr Edward Leigh (Gainsborough) (Con): The slight problem with that is that if we had a similar system here, under whichever Government, there would be no Members of Parliament left.

Mr Lilley: That is slightly unworthy of a former Chairman of the Public Accounts Committee, who at least would remain, if in solitary glory.

A related illusion that the Opposition purvey is the call, frequently made by the Leader of the Opposition, for the Government to prepare a plan B in case the economic road gets rocky—a plan B would, by implication, involve higher spending and borrowing. Of course it is a bit rich for the Leader of the Opposition to ask for a plan B, given that he has not yet spelt out a plan A, but the reality is that if we abandon the plan set out by the Chancellor, we will get a plan B, but it will not come from the Opposition or from my right hon. Friend the Chancellor—it will come from the savers and pension funds whose money we would need to borrow to finance that increased borrowing. If we did bottle out of what we have proposed, they would demand deeper cuts over a shorter period and they would require us to pay a higher rate of interest. The net result would not just be deeper cuts in the public sector, as we have seen the markets impose on Portugal, Greece and Ireland; those higher interest rates would kill off and abort the recovery in the private sector on which we depend to create the jobs to take up the people not employed in the public sector. So it would be a disaster for this country if we were to go down that route.

The third illusion that some Labour Members purvey—perhaps the more honest elements among them—is the belief that we could avoid public spending cuts if we were prepared to put up taxation. But who would pay those higher taxes? Ultimately, taxes are always paid by individuals and if the squeezed middle are not going to pay them—they have been precluded from bearing a higher burden of taxation by the Leader of the Opposition—either the poor or the rich must do so. I would not put

it beyond a party that sought to double the burden of taxation on the lowest paid by removing the 10p tax rate to seek extra revenues from the very poor, but that would not yield much money so Labour must look to the very rich for it. I just remind Labour Members that if they read the Red Book, they will see that the top 1% of income tax payers in the coming year are expected to pay no less than a quarter of the entire revenues of income tax—last year, the top 5% paid more than half of all income tax. We are reaching the point at which any further burden of taxation on those people would kill the goose that lays the golden eggs. In the words of my old friend, the sadly now deceased Lord Harris of High Cross, punitive taxes beyond a certain point do not redistribute income, they redistribute people. We have reached that point and we would go beyond it if we accepted the advice of the Opposition.

I urge my hon. Friends to support the Chancellor and my right hon. Friend the Secretary of State in what he is doing at the Department for Work and Pensions and to ignore the blandishments and illusions of the other side.

5.30 pm

Mr Alistair Darling (Edinburgh South West) (Lab): In the short time available, I shall not follow up on any points made by the right hon. Member for Hitchin and Harpenden (Mr Lilley), except to say that when he talks about any element of fairness in the Chancellor's last Budget and this Budget as regards those on the top incomes, I think he will find that some of the things he talks about have more to do with measures that were announced by the previous Government than with those announced by this Government.

In many ways, the Budget is an annex to last June's Budget, which set the direction for this Government and the tone for this year's Budget. I want briefly to consider how that will impact on this country as well as what is happening in other parts of the world. Although it does not quite fit the Tory story, what is happening to our economy will be very much influenced by what is happening in other parts of the world.

In some ways, it is quite remarkable that the global economy is growing at all. Three years ago, when the International Monetary Fund reported for the first time that it had stopped growing, it was possible that we were in for a serious downturn. It is now growing, but it is a two-speed recovery that is strong in Asia and far less so in the west. In Europe, we see strong growth in Germany and far less growth in southern Europe in particular. Here at home, manufacturing is doing well because the pound has depreciated, but the service and business sectors are not doing so well at all.

The recovery in this country and in Europe is fragile. We saw the economy grow more strongly than we expected in quarters two and three—the summer and autumn of last year—although again that had an awful lot more to do with measures that were implemented before rather than after the general election. We saw a sharp slow-down after that, which was largely brought about by people's fear of what was to come. People are losing confidence—we saw the confidence survey published just after the Budget last week—and that should worry any Government. If we continue to get sluggish growth, the risk is that we will bump along the bottom and we will not get the jobs or growth on which this country depends.

[Mr Alistair Darling]

Incidentally, I followed with interest what the Secretary of State said but one question that he failed to answer was that put by my hon. Friend the Member for Wolverhampton North East (Emma Reynolds): if our spending was so wrong, how come the Conservatives supported it right up until the end of 2008 and the Liberal Democrats supported it until a week after the general election, when they promptly changed their minds? The Secretary of State has revealed this afternoon that he is not quite the details man I remembered, but he might care to note that our structural deficit in 2006, according to his Government's own measure, was 0.4%. It is simply not true to suggest that all our problems today are the result of spending. The main problem that we faced was an acute banking crisis that hit us and hit other countries in the world. That is why we are not the only country to have a very large deficit.

Mr Duncan Smith: I am listening to the right hon. Gentleman with great interest and respect, but I want to get this absolutely straight because one of his right hon. Friends said this the other day. The OECD measurement of the UK's structural deficit in 2007 was 3.9% of GDP, the highest in the G7. Can he confirm that?

Mr Darling: The structural deficit was 0.4%. Throughout the past decade, we were spending money, but I must say, as a Minister in that Government, we were greeted with calls from the then Opposition not to spend less but to spend more on just about every occasion. They cannot have it both ways.

What worries me is that as we look forward, we face a number of pressures that are a threat to sustained recovery in this country. We, along with most other European countries, are following a deflationary policy and we are doing it together. This is not like Canada or Sweden 10 years ago, who reduced their deficit on the back of rapidly expanding neighbouring economies. That will have an effect. America, sooner or later, will have to deal with its very large debt problem that has been overhanging that country since the Bush years. That is not a recent phenomenon but it will have to be dealt with and it will have a knock-on effect on the rest of the world's economies.

On inflation, for 10 years we in the west have lived off cheap goods coming from the far east. Now what is happening, as one would expect, is that those economies are growing and there are inflationary pressures. Commodity prices are increasing and wages are starting to go up, so those days are finished for us. It worries me that we are likely to face deflation as a result of Government policy with inflation as well. All that will result in lower growth, which is exactly what the Office for Budget Responsibility has said.

Mary Macleod (Brentford and Isleworth) (Con): Does the right hon. Gentleman agree that many measures in the Budget will stimulate growth in future?

Mr Darling: I think there are many measures in the Budget, such as the reduction in corporation tax, the reform of planning law—if the Government can see that through their Back Benchers and councillors—and some others that will be helpful, but the thing that

drives whether companies set up, take on more people or put in more investment is whether they can sell their goods and services. For as long as companies doubt that that is the case, we are going to have this problem with lack of confidence and we simply will not get the levels of growth that we expect.

That is why the story of this Budget was in many ways what the OBR—now independent of Government, which is a good thing—had to say. For the third time in 10 months it has downrated the growth that it expects in this country over the next couple of years and that should worry us. Yes, it picks up after that, but I suspect that is a function of the model that the OBR adopts: if growth is depressed in the short term, it is automatically assumed that growth comes back. However, I cannot see any evidence of where that growth is going to come from, either in the world economy or in Europe, especially if the eurozone insists on following what I regard as punitive policies towards those peripheral countries that are getting into trouble—visiting on Greece and Ireland conditions that I do not think they will be able to meet. Sooner or later, they will have to renegotiate or default, and the eurozone countries—principally Germany, which is the main driver of what is happening in the eurozone—will have to rethink the policies they are currently adopting. Otherwise, there will be a risk not only that Europe will fail to grow but that parts of it will go back into recession. That would be an absolute tragedy for the people living there and would also be extremely bad for us.

I have mentioned the uncertainties in the United States, but here at home we still have problems with the banks and their inability to lend. I recognise all the difficulties in that regard. I endured much criticism from the parties now in government when I was in charge of these things, but interestingly they have come up against exactly the same problems that I did, which is why their attempts to make the banks lend have had exactly the same reception as mine did. Next month, we will have the Vickers report into the future of banking but there is a risk that if we spend a long time discussing these matters and there is a lot of uncertainty about what should happen with the banks, that uncertainty will lead to lending being depressed. I hope there will be a full debate on the Vickers inquiry after the Easter recess, but I hope also that the Government will move to a conclusion one way or another in reasonable time. There is still uncertainty about banking regulation, particularly in Europe, and I regard the stress tests now being put in place as wholly inadequate and repeating the same mistakes that were made last summer. It is high time that we got to grips with this problem, which has not yet been resolved.

On the financial services sector, there is a lot of talk about rebalancing our economy and I am in favour of that, but we need to make sure that we build up other sectors of the economy and that we do not end up inadvertently running down one sector, which happens to employ more than 1 million people in this country.

Finally, it is important to recognise that in 2008 and 2009 international co-operation managed to prevent our collapsing into the abyss. There is a limit to what can be done through international agreements but they do matter when we are dealing with currency imbalances, trade talks, energy and so on. I hope that the Government will re-engage in that regard and will recognise that the

policy they are currently pursuing within the United Kingdom runs the risk of derailing the recovery, meaning a long, slow recovery that will not bring the growth and jobs we need.

5.38 pm

Andrew Griffiths (Burton) (Con): I am grateful for the opportunity to speak in this important debate. I begin by paying tribute to the Budget that was delivered by the Chancellor which has been warmly welcomed in many parts of my constituency. It was particularly warmly welcomed by the people involved with the Staffordshire air ambulance, who feel that they will benefit greatly from the changes to charitable giving. As the president of the East Staffordshire Community and Voluntary Service, I have been contacted by many charitable and third sector groups that believe this is a real way for them to build for the future and offer more help and support in the community.

The Budget was also well received by businesses in my constituency. The changes to corporation tax will be a big boost to growth. Businesses were delighted to hear talk of manufacturing, which they feel has been overlooked and forgotten for so long in this country. To hear a Chancellor and a Government talk about manufacturing was a boost for businesses and they are excited about the future.

The Budget was welcomed by families in my constituency. The poorest families were pleased that many of them will now be taken out of tax completely. More importantly, it was welcomed by many in my constituency who feel that it reinforces what many of them consider the most important plank of what we as a Government are trying to achieve—that is, to make work pay. The decision within the changes to personal taxation to make it more rewarding to go out to work and to support people back into work has been welcomed not only by those who do the right thing, pay their taxes and work hard, but by many people who are desperate to get back into work and feel that this is a great opportunity which will make it more financially viable for them to do that.

However, there is one element of my constituency where the Budget was not so well received. It is fitting that the former chairman of the all-party parliamentary beer group should be in the Chair when I make these points. I must declare an interest as the MP for Burton, the home of British beer—the home of Marston's Pedigree and Carling Black Label, and Punch Taverns, the largest pub company in the country. Brewing and the future of pubs are hugely important. This is an issue on which there is usually agreement across the Chamber. The need for us to support the brewing industry and pubs is recognised in all parts of the House.

We regularly have debates, particularly in Westminster Hall, about what we can do to support pubs and the brewing industry, and there is general support across the House, even from the shadow Minister with responsibility for pubs, the hon. Member for Derby North (Chris Williamson), who in a recent debate admitted to us that not only was he teetotal but that he did not use pubs very often. Even he recognises the need for us to support pubs and the brewing industry.

I recognise that the Chancellor was hamstrung when he inherited a massive deficit—£120 million a day in interest payments alone—and a decision to increase

beer duty by means of the beer escalator by 7.2% this year. It was somewhat unfair of the Chancellor to say in his statement that there would be no changes to beer duty in the Budget. Whether it was his fault or not, we will see an increase in beer duty equivalent to about 10p a pint. That will impact on brewers across the country and on publicans in each and every one of our constituencies.

We all support the community pub. We all recognise that a pub is a safe environment for us to enjoy alcohol and for us to encourage young people to drink safely and responsibly. Increasing beer duty by 7.2% is a major problem, particularly because beer duty in the UK is already 7.9 times greater than in France, 12.4 times greater than in Germany and 12 times greater than in Spain. We have the second highest beer duty in Europe. I hope the Government will look again to see what they can do to support brewing and the beer industry in this country.

For instance, the Government could look at the inequality between cider and beer. Why is it that a pint of cider attracts half the duty that is charged on a pint of beer brewed in my constituency? I welcome the Government's decision to reduce tax on beer of 2.8% strength. That is very useful, but I urge them to go to Europe, fight the case on behalf of British beer, and raise that 2.8% to 3.4% or 3.5% so that we can have some great British beer and support our pubs in the process.

5.45 pm

Jack Dromey (Birmingham, Erdington) (Lab): This is a Budget for growth: growth in insecurity, growth in inequality and growth in unemployment, which was up by 27,000 in the west midlands last month alone. It is not a Budget for economic growth, which was down last and this year and will be down next year, as are living standards. Not only is unemployment up, but so too are borrowing, inflation, debt interest payments and higher debt interest, which is up by £17.8 billion. Yes, the Budget contains some modest measures, but despite evidence that the economy is getting into choppy waters and despite the widespread concern being expressed, the Government remain lashed to the mast, rejecting any but plan A and sailing on regardless, oblivious to the consequences of their actions.

I want to focus on the consequences for the people of Erdington and Birmingham of the Budget measures of the past nine months in relation to the public, private and voluntary sectors. In the public sector, this Friday 1 April we will see the biggest cut in local government history—£212 million. It is a Budget launched by a laughing Conservative leader and supported by a Liberal Democrat deputy leader who only 24 hours earlier had been one of those who wrote to *The Times* to protest about the scale and speed of the cuts being imposed on local government.

The consequences will be felt by everyone, whether they are three, 13 or 73: three-year-olds who go to one of Birmingham's excellent children's centres will find the centres' budget cut by 16%; 13-year-olds who go to one of Birmingham's 60 excellent youth service centres will see many of those centres face closure; and 3,500 73-year-olds, those who built Birmingham and Britain, face losing their care packages altogether, which for them make the difference between a decent life and a life on the margins.

Mr Lilley: What would the hon. Gentleman cut instead?

Jack Dromey: Bankers' bonuses and, as our Front-Bench team proposes, among other things, we would have a sensible programme of investment, just as we invested in the construction industry to get it going at a time of recession, providing 110,000 homes, 70,000 jobs and 3,000 apprenticeships. We would invest now in a fresh stimulus package of much-needed social housing, creating jobs, apprenticeships and hopes. That is what we would do, and that is the difference between them and us.

The police, too, are feeling the consequences. This Friday 300 of the most experienced police officers in the west midlands will be forced out under regulation A19. I was with five of them this morning. They included an inspector, the national champion of designing out crime, who on one Birmingham estate achieved a 97% reduction in crime levels; a sergeant leading an excellent team of neighbourhood policemen; and a detective constable, the specialist in robbery, who has put away those who robbed old people at cash points and those who robbed shops with a machete. They all now face having to leave the force against their will. The Government have said to them, "Thanks for your past loyalty, but here's your notice." Governments should cut crime, not the police.

With regard to the impact on the private sector, 1.2 million people in that sector depend on public expenditure, particularly the £38 billion spent on local government procurement. If local government budgets are cut by 28%, major job losses in the private sector are inevitable. The estimate for the midlands is that 67,000 jobs will go as a consequence of what is happening in local government.

On rebalancing the economy, the Government have abolished the most successful regional development agency in Britain—Advantage West Midlands—and put in its place local enterprise partnerships that have no money, no power, no statutory basis and no power over skills. The planning proposals are a cocktail of confusion and the regional growth fund has only a third of the funds that were available to the RDAs. Incidentally, the RGF is the most elastic fund in history, designed to cope with all sorts of applications according to the Government.

Then there is the impact on the voluntary sector, the good society. Billions will be lost to the voluntary sector, including, in Birmingham, the oldest citizens advice bureau in Britain and 13 advice centres—all facing closure. The CAB was founded in 1938 and is the quintessence of the good society. Excellent people give first-class advice with an army of volunteers, but, just when the people of Birmingham need their support and advice most, those centres are facing closure.

My constituency of Birmingham Erdington is one of the 10 poorest in Britain, but it is rich in talent, with young people who are deeply aspirational and want to get on. What now haunts the people of Erdington is the spectre of the 1980s and TINA: there is no alternative. I know families in Erdington, Kingstanding and Castle Vale, where excellent men and women in the 1980s were made redundant two, three, four, five times. Some of them never worked again, because they gave up hope. The idea that once again the spectre of mass unemployment should haunt north Birmingham is absolutely wrong.

Stephen Lloyd: Is the hon. Gentleman aware that, after 13 years of Labour Government, there are 2 million children in households where no one works?

Jack Dromey: We acted, by way of a range of measures, to help the poorest families, including the poorest families with children. It is a record of which we are proud.

There is a fundamental difference between the Government and this Opposition, not just on economic strategy but on this point: for us, unemployment will never, ever be a price worth paying.

5.52 pm

Martin Horwood (Cheltenham) (LD): The cornerstone of this Budget is undoubtedly the need to tackle the deficit. Spending £50 billion a year just on debt interest, which is double what we spend on transport, was clearly intolerable and could not go on. If we had not tackled the deficit, we would have found that an Irish, Greek or Portuguese economic future awaited us all, meaning more cuts, more public billions down the drain and higher interest rates, which would have hit everyone with a mortgage, everyone with an overdraft and every business dependent on bank borrowing. There is no point pretending that the cuts are not painful, but interest rates of 7%, 8% or higher would have been extremely painful, too, so I am glad that the Chancellor did not take that risk.

I am also very glad that the Chancellor is well on the way to fulfilling a Lib Dem election pledge to take more than 1 million people out of income tax, benefiting 24 million more by raising the income tax threshold. That will take nearly 2,000 of my constituents out of income tax altogether and benefit nearly half the population of the town.

There are also many welcome measures in the Budget for business and for investment. The cut in corporation tax will help small businesses in my constituency; I hope that we will benefit from some of the 40,000 new apprenticeships for young people not in education, employment or training; and it would be churlish of me not to mention the redoubling of the Swindon to Kemble line, which will be good for Cheltenham, good for business and good for the environment.

Good for the environment, too, will be the tripling of the endowment to the green investment bank to £3 billion, and the news that that bank will in due course be able to borrow on its own account. That is an important signal to green investors, and it will help us to lay the foundations of a low-carbon economy. So, too, will the commitment to a floor price for carbon, and, although £30 a tonne by 2020 is a pretty modest ambition, it gives an underlying message and confidence to those investing in green industry and green jobs.

I hope, however, that the measure will not lead to an accidental, back-door subsidy to the nuclear industry—not just to new nuclear but to the existing nuclear industry, which already costs us £1.5 billion of public money a year to clean up and close down. That is important, because any subsidy to the nuclear industry would run counter to specific pledges made in opposition by both Conservative and Liberal Democrat spokesmen, and I know because I was one of them.

I have a few other slight worries about the Budget. Not all red tape is bad, and I am concerned about the relaxation of the rules to be able to request flexible working. In my experience as an employer, I found that flexible working generally increased staff commitment and productivity. Progressive and innovative companies are trying to do more of it, not less.

My biggest worry about the Chancellor's speech is about planning. He said that

"we will introduce a new presumption in favour of sustainable development, so that the default answer to development is yes."—
[Official Report, 23 March 2011; Vol. 525, c. 956.]

It may have been a shame that he did not have the space or time to explain that statement more fully, because, on the face of it, it is rather alarming. Not all development is sustainable, so how can the default answer possibly be yes?

I hope the Chancellor was guilty of no more than radical oversimplification, but one or two other statements in "The Plan for Growth" give cause for alarm. It states that the Government will enable

"businesses...to bring forward neighbourhood plans and neighbourhood development orders."

There are many definitions of a neighbourhood, which was not clearly defined in the Localism Bill, but I am pretty sure that a business is not a neighbourhood.

"The Plan for Growth" states also that the Government will

"localise choice about the use of previously developed land, removing nationally imposed targets".

I do not welcome nationally imposed targets, but it is important that localities are able to prioritise brownfield sites over greenfield, and any qualification of that ability would not be helpful.

Possibly the most alarming news of all in "The Plan for Growth" is:

"Local Enterprise Partnerships (LEPs) will be able to play a vital role in supporting local authorities plan for key sub national infrastructure... providing a powerful voice for business in the planning system".

My constituents generally think that business has a pretty powerful voice in the planning system already, as it usually deploys battalions of barristers and consultants, but "sub national" worries me, because it has unfortunate echoes of Labour's old regional spatial strategies.

People in the parish of Leckhampton with Warden Hill in my constituency know a bit about regional spatial strategies. They fought a battle against the south-west RSS for many years, and they are still fighting to protect the last substantial green space in the parish from disappearing almost completely. Such green spaces next to urban populations are vital for people's health and physical welfare. They are opportunities for recreation; important for local food production; they absorb carbon dioxide and particulate pollution; and they are the most visited parts of the country and treasured by local people. Once lost, they are gone for ever, but they are exactly the spaces being targeted by developers, who in the past were supported by Labour's myth that endless growth in urban extensions was sustainable. It simply was not.

The Localism Bill offers local communities real hope and the prospect that they will have a voice in the future of their own areas—

Mr Deputy Speaker (Mr Nigel Evans): Order.

5.58 pm

Chris Ruane (Vale of Clwyd) (Lab): I was hoping and praying that this Budget would offer some employment chances for the people in my constituency. It has done

nothing for employment chances in Vale of Clwyd; in fact, it has increased the chance of unemployment there.

There are 650 parliamentary constituencies in the UK, and of the top 50 for percentage of jobs in the public sector—including Edinburgh South with 67% and Swansea West at No. 50 with 41%—76% are Opposition constituencies and only 24% are Government constituencies. That speaks volumes. The policies that the Government are drawing up are policies not for Britain, but for the Tory and Liberal Democrat areas of Britain, and that is not one-nation conservatism. We are seeing on the economy the same partisanship that we saw on constitutional issues.

There are 13,000 public sector workers in my constituency.

Martin Horwood: Will the hon. Gentleman give way?

Chris Ruane: I am not giving way.

There are 10,000 public sector workers in the neighbouring, Conservative constituency of Clwyd West. [Interruption.] I will give way to the hon. Gentleman.

Martin Horwood: Does the hon. Gentleman think that the policy of the pupil premium, which is gearing education funding towards schools supporting the least well-off families, will support more Conservative and Liberal Democrat constituencies than Labour ones?

Chris Ruane: I will deal with that shortly; the hon. Gentleman does not have to worry about that.

In my constituency, there are already six people chasing one job. If the Government implement these 10% to 25% cuts in the public sector, another 2,000 to 3,000 people will become unemployed, with 20 people chasing each job. The Government state that they want the private sector to take up the slack of jobs in the public sector. What have they done to promote that in my constituency? Nothing. One of the biggest employers in north Wales is Sharp, which has the biggest solar panel factory in the whole of western Europe. There is also Kingspan in Delyn. In my constituency, we have the Technium OptIC centre, which has the biggest solar panel in the whole of the UK. The changes to the feed-in tariff that the Government have announced will mean that these sectors are hit, and there will be job losses, not job expansions, in my constituency. An article in today's edition of *The Guardian* stated that the UK had gone from third to 13th in green technology jobs in one year. This is not a green Government.

Young people in my constituency were looking to the Chancellor to help them to gain employment. They had help from the previous Government—a Labour Government. In my constituency, the Rhyl city strategy put 450 young people back to work in the space of 12 months. They were given hope; they were given a wage packet; they were given a future. All that has ended. The last day of the future jobs fund is tomorrow; after that, there will be nothing like it in my constituency.

Another article today in *The Guardian* mentioned that seaside towns and communities have the worst deprivation in the country. This Government did nothing to help those seaside towns; in fact, they worked against them. The changes that they have made to housing benefit will mean, as Boris Johnson has said, a Kosovo-style

[Chris Ruane]

clear-out of the inner cities, especially London. Where will those people go? They will go to houses in multiple occupation in towns such as Weston-super-Mare, Hastings, Margate, Jaywick, Rhyl, Colwyn Bay and Blackpool. They will be moved from areas of employment to areas of unemployment, where slum landlords will make money out of misery—helped, aided and abetted by the Conservatives, who are altering the rules and regulations on the licensing of slum landlords.

Stephen Lloyd: Is the hon. Gentleman aware that according to figures that I received last week on Eastbourne, which is of course a splendid seaside town, the unemployment rate for February 2011 was down by 340 compared with February 2010? We welcome anyone to whom we can hope to give jobs in Eastbourne, which has a successful economy.

Chris Ruane: What will the figures be in February 2012?

I speak from the perspective of a Welsh MP in a seaside town in an area with high public sector employment. We had made progress under the Labour Government, who created an extra 7,000 jobs over a 13-year period, with 3,500 in one business park alone—St Asaph business park, built by the Tories, empty under the Tories, and full under Labour. We were able to achieve that because we engaged with Europe. We applied for objective 1 funding—something that the Tories never did in their 18 years—and we got it. In my county of Denbighshire, we have had £124 million over the past seven years to create jobs, and we have done that. We have engaged with the Welsh Assembly Government; I give some credit to Plaid Cymru in this regard. Plaid Cymru and Labour, in a proper, working coalition, have pumped £38 million into five principal seaside towns along the north Wales coast: Prestatyn, Rhyl, Towyn, Kinmel Bay and Colwyn Bay. We have engaged with the Department for Work and Pensions in running national pilots in Rhyl—the Rhyl city strategy and Fit for Work.

We have put hundreds of people back to work, not by shaking a big stick at them but by engaging with them. I am talking about drug addicts, alcoholics and ex-prisoners who are now making honey on a farm in Wales. I am talking about Rhyl football club, which is using football as a means to connect with parents and children. I am talking about Rhyl college and the Hub young people's centre, which has 1,000 young people engaged with the back-to-work agenda. We have made progress, but all that is under threat from the Budget that we have witnessed.

We saw the Tories at work in the 1980s. We have seen what they did to coal, steel and inner-city communities. Remember the riots; remember the closure of the pits and the steelworks. That legacy is still being felt in many of those communities today. I make a prediction: if specific help is not given to areas with high public sector employment, then we will be looking at those areas as the new coal, steel and inner-city communities of this Parliament. Specific help must be given; otherwise, it will be back to the future—back to the 1980s.

6.6 pm

Stephen Metcalfe (South Basildon and East Thurrock) (Con): I am grateful for the opportunity to speak in this important and wide-ranging debate. As many people

know, I come from a small business background, and so I take an active interest in the health of our economy and companies of all sizes. I was absolutely delighted to hear last week's statement by my right hon. Friend the Chancellor, who put growth very much at the heart of his agenda to support businesses. He has very little wriggle room—we recognise that—but the creative approach that he adopted to try to demonstrate his support for businesses, large and small, and to help companies start on the path of creating jobs again, was welcome up and down the country.

We have to contrast that with the landscape that we inherited from our Labour colleagues. I do not quite know how to put it—whether it was neighbours at war or a family in crisis—but the situation was very much that they had maxed out the credit card and ceased to open the post. Time and again, I hear a degree of denial from Labour Members saying that we do not face a real problem, but we know that we do, because when we got round to opening the post, what did we find? A message stating that all the money had gone. That is what we have to deal with.

When I talk to people in businesses around my constituency and the south-east of England, all I hear is that they understand the need for the measures that we are taking, but they want us to remind them, the public, again and again of why we are having to do this—the fact that we are paying £120 million a day in interest alone and having to borrow £400 million a day to keep the country afloat. It is against that background that we have to find a way of balancing the books. I believe that my right hon. Friend the Chancellor started that process last week. Many organisations, such as the Institute of Directors, the Federation of Small Businesses and the British Chambers of Commerce, agree. They all welcomed the measures, in part, because they understand the problems.

I want to focus on three areas. First, there is the support for business. The cut in regulation is welcome as a stated aim, as is the focus on better skills for our young people so that we can have a well-trained workforce. Secondly, I welcome the support for entrepreneurs, because it is they who will take a small business and grow it into a big business so that it pays its tax and employs, we hope, many thousands of people. Thirdly, there is the simplification of the tax system.

However, the people to whom I speak also express some concerns. At a recent meeting of influential businesses in south Essex, they were worried that a degree of gold-plating still goes on with regulation. We all accept that some regulation is needed, but please let us make it fair, even and easy to understand. They also express concern—I know that my right hon. Friend the Secretary of State for Work and Pensions has looked into this—about the scrapping of the default retirement age. They have used it, rightly or wrongly, to manage their work forces, and are concerned that raising it will create greater problems for them in the future and stop new openings being created in their organisations.

I also ask that we look at how we classify truly small businesses. This Budget uses the number 10, but businesses with 20 and perhaps even 50 employees are small businesses as well. They need a greater degree of support than the previous Government gave them and than we are currently proposing to give them.

Finally on the business side, we know that we need to grow our exports. We need to reach out and trade across the world. I heard the statistic recently that there are

now 350 million people in India who describe themselves as middle class—people who have disposable income. We need to reach out and show them that British companies and products can address their needs and wants. However, we need to provide some security for those companies. I have a constituent who has been trading in north Africa. He is concerned about whether he will be paid for work that he has undertaken. He is a small business man. Perhaps we should consider how the Government can support businesses that are trading abroad in places where there is not total confidence and security that they will be paid. I welcome the support that we showed for science and technology, because it is companies with innovative and technology-based ideas that will drive growth in our economy.

Of course, I also welcome the help that was announced for families, such as the raising of the tax threshold, the council tax freeze and the 1p cut in fuel duty. Although that 1p on its own may not be significant, the scrapping of the 5p escalator is significant. It means that petrol will be 6p cheaper next month than it would have been under the previous Administration.

Above all, that tax cut and the other measures announced in the Budget demonstrate that this Government are willing to listen and to adapt to the changing landscape. I hope that we will continue to do that, and that we will continue to listen to our residents, individuals and companies, and work with them to create growth.

6.12 pm

Simon Danczuk (Rochdale) (Lab): I listened to the hon. Member for Burton (Andrew Griffiths) with interest. The Budget has not been as well received in my constituency of Rochdale as it clearly was in Burton. I am not sure whether that is to do with the amount of beer that is consumed in Burton compared with the amount that is consumed in Rochdale. However, like him, I will concentrate my comments about the Budget on my constituency.

One of my central concerns since the coalition announced its programme of spending cuts has been that we will end up with a jobless recovery. I suspect that that is exactly where we are going. I understand that the Conservatives are motivated by their ideological belief in small government. They cut Government spending and public sector jobs because they believe that it is the right thing to do. Once upon a time, the Liberal Democrats agreed with Labour. Before the general election, they led voters to believe that they were a party of the centre left. I know that that is hard to believe now. Page 13 of their manifesto stated:

"If spending is cut too soon, it would undermine the much-needed recovery and cost jobs."

That is what is happening today.

The Budget provided the Chief Secretary to the Treasury and his colleagues with the chance to use their influence in the coalition Government to help constituencies such as Rochdale that suffer from chronic unemployment. Rochdale's unemployment statistics make worrying reading. Currently, 8.6% of the town's active population is claiming jobseeker's allowance, with almost 15 claimants per vacancy at the jobcentre. No doubt the 4,000 unemployed people in my constituency were unimpressed to hear the Chancellor increase his unemployment forecasts. Those forecasts tell them not only that it will be a long time before they will have an opportunity to gain employment,

but that more people will be joining them on the dole queue—and all because the Chancellor will not change his course.

Rochdale is heavily dependent on the public sector. We face £64 million of cuts from this Government's Budget just in local government. That will force even more people in Rochdale on to jobseeker's allowance. The Government have long argued that they will create the conditions for the private sector to sweep in and create the jobs that are needed. Let us look at the reality in Rochdale. In many respects, the Chancellor has only increased Rochdale's disadvantages. The enterprise zone at Manchester airport will continue the worrying trend of investment being drawn away from Rochdale to other, often more prosperous, parts of Greater Manchester. The new enterprise zone will create a disadvantage to Kingsway business park in my constituency. What is more, the Centre for Cities report shows that every job created in an enterprise zone costs more than twice as much in real terms as a job created by the future jobs fund, and more than four times as much as a new deal job. The Chancellor has made much of his tax incentives to encourage businesses to create jobs. However, the research and development tax relief for small businesses will help less than 1% of those businesses.

In conclusion, we have learned nothing new about the Conservative party. We have known all along that it would prefer to give tax cuts to bankers than invest in the future jobs fund or in manufacturing. However, the Liberal Democrats once portrayed themselves as the defenders of places such as Rochdale. They should be ashamed of what they are party to. This Budget shows that they are unable to stick up for their ideas and for the people they purport to represent. It is no wonder that this weekend, yet another Liberal Democrat councillor in Rochdale announced that she would not renew her membership of that party.

6.17 pm

David Rutley (Macclesfield) (Con): I am grateful for the opportunity to speak in this important debate. Given the restrictions on time, I will focus on the Government's plan to achieve long-term sustainable economic growth. I welcome their commitment to make that their biggest economic priority.

I welcome the Chancellor's clear signal that Britain is open for business, and the steps that he has taken to revitalise the country's enterprise culture. Reducing corporation tax by a further percentage point to just 23% in 2014 is another boost to business and will help to establish the UK again as a great place to do business. Like many Government Members, I welcome the Chancellor's move to increase tax relief on new business investments to support our entrepreneurs and wealth creators. That will help to grow businesses across the country, including those in Rochdale. Yesterday's StartUp Britain launch will encourage more people to create their own companies.

Businesses like what they see. It was good to hear from the Institute of Directors today that 70% of businesses surveyed believe that the Budget will have a positive impact on the economy. The incentives that I have mentioned are vital in recreating the enterprise culture. Many small businesses in Macclesfield tell me that they want the Government to break down the barriers that

[David Rutley]

have built up progressively and which, collectively, block businesses from expanding. I therefore welcome the Government's commitment to reduce the burdens on business by looking at planning, tackling excessive health and safety regulations, and, importantly, simplifying the tax system.

The Chancellor's approach to deregulation, as set out in "The Plan for Growth", is very pragmatic. It will support industry sectors that are critical for the economic growth that we need. Those industries rightly include advanced manufacturing, digital and creative industries, and life sciences and health care.

Macclesfield is home to one of AstraZeneca's largest pharmaceutical manufacturing sites, so I was delighted to see that David Brennan, its chief executive, had given his support to Government plans and said:

"We welcome the package of measures announced by the Government... Those on clinical research and the environment for undertaking clinical trials represent a powerful statement of intent about the government's determination to maintain the attractiveness of the UK as a centre for R&D activity."

That is a ringing endorsement from one of our most important pharmaceutical companies. My request to the Chancellor is that he break down the barriers to business success with the same energy and pace that he has shown in so many other areas of economic policy. It is an urgent priority.

We can learn a lot from Macclesfield's proud entrepreneurial tradition. The local economy was built on silk, and Macclesfield became the world's largest producer of finished silk. Since that time there has been an entrepreneurial thread running through our economic development. Silk led to dyes, and dyes brought ICI to Macclesfield after the second world war. Today we benefit from AstraZeneca's strength in pharmaceuticals, and that entrepreneurial tradition is still alive. We have higher than average business start-up and survival rates. We are proud of that tradition, but in the current challenging economic climate, no one is taking growth for granted.

One of the most rewarding parts of my job is being able to work with local businesses and community groups to make Macclesfield a stronger destination and to help boost the local economy. We have made big strides, and working with the support of Cheshire East council, we have created regular business breakfasts for Macclesfield's businesses to have their say on the local economy. They wanted a clear action plan, so with their support we have created a Macclesfield economic forum, which will steer a course towards stronger economic growth. We are building on that momentum, and the proposals that have been put forward in this Budget will help us with that task.

It is often said that two "Eds" are better than one, but based on what we have heard from Opposition Front Benchers, it is clear that that is not always the case. [Interruption.] It took a while for some people to get that. It seems that the Opposition are suffering from a number of seemingly delusional conditions, which are getting progressively worse. It started with the credit crunch, when they had a bad case of what Lord Turnbull has called "wishful thinking". They thought that they had put an end to boom and bust, but all too clearly, they had not.

Then came a well-documented case of deficit denial. The Opposition blame the deficit on the economic crisis, but they are unable to face the fact that they ran cyclically adjusted deficits in each of the six years to 2007-08. Sadly, in more recent days, Opposition Front Benchers have started to exhibit signs of a new condition—alternative avoidance. The symptoms are there for all to see. They say they have an alternative and tell millions of people that they have one, but they are completely incapable of articulating what it is.

The Labour party has no alternative. In stark contrast, the Government have set out a positive plan to tackle the deficit and put the UK back on the path to sustainable long-term economic growth. I commend the Budget to the House.

6.23 pm

Mr Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): I begin where I ended my speech a few weeks ago on Second Reading of the Welfare Reform Bill—by referring to the Government's approach to disability living allowance. It is always helpful after a Budget to have a look at the Red Book, and on that subject, as on others, I have done so. I found that the Chancellor of the Exchequer states that the Government intend to recoup about £470 million during this Parliament as a result of removing the mobility component of DLA.

This debate gives us a wonderful opportunity to clarify a subject that has been discussed again and again, but which has led, even today, to sheer confusion. For some 80,000 disabled people, the planned removal of the mobility component of DLA from people living in residential homes is causing great concern, and the issue is clouded by the obfuscation that we have heard from the Government, including from the Secretary of State for Work and Pensions today.

Last week the Prime Minister claimed that the Government did not plan to remove the mobility component, even though again and again at the same Dispatch Box, the same Prime Minister had compared the people involved with patients who are in hospital for two or three weeks. Whatever the Government say—I hope we will get some clarity from them tonight—clause 83 of the Welfare Reform Bill, which is being discussed in Committee as we speak, will legislate precisely for the removal of that benefit. My hon. Friend the Member for Glasgow North East (Mr Bain) has pointed out to the House that 2,000 disabled children could lose out.

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller) indicated dissent.

Mr Clarke: I invite the Minister to intervene to tell us for the first time exactly what is going on. She has had every opportunity to do so. If she does not, the most vulnerable people will remain unimpressed by the Budget.

Maria Miller: I thank the right hon. Gentleman for allowing me to intervene. I point out to him that clause 83 of the Bill is about overlaps. He will have heard the Prime Minister make it very clear from the Dispatch Box that we do not intend to remove the mobility component of DLA from residents in care homes from 2012. We will, however, as he would expect, examine all DLA recipients as we move forward with the reform—with which, as we have heard from the Labour spokesman today, the Opposition agree.

Mr Clarke: I heard the Prime Minister, and I have heard the hon. Lady on numerous occasions. I even had a private meeting with her, along with Lord Rix, who co-chairs with me the all-party group on learning disability. She has not once said that there will be a change to the money that the Red Book anticipates will be saved by the removal of the benefit, or that the Government are changing their mind. If the Minister who winds up tonight's debate says that, there will be joy among thousands of disabled people and their carers, but it has not been said yet.

What we are being told is that the Government inherited a financial crisis. I consider the views of my constituents on that and other matters, but the fact is that they are bored stiff with the blame game. They know about the deficit, but they also know about growth. They know that the Government said precious little about growth in the Budget, as has also been the case today.

Take, for example, fuel. I argued that the VAT increase should be reversed, but the Chancellor expects drivers to be grateful for a 1p cut in fuel tax when VAT is going up by 3p in the pound. That will not allow the Government to ingratiate themselves with people who can no longer afford to fill up their tanks on the forecourt. If Government Members have some doubt about that, may I refer them to, of all newspapers, yesterday's *Sun*? It indicated that one fifth of people had given up driving. If that represents growth, I do not understand the meaning of the word.

A woman in my constituency, a nurse called Sandra, does a round trip of 80 miles a day to do her job. She fears for the future and, like me, regards the energy regulations in the Budget as being too little, too late.

Stephen Barclay (North East Cambridgeshire) (Con): The right hon. Gentleman says that the measures are too little, too late. Why did his party set a 10-year target in 2000 and then miss it in 2010, only to set in 2009 a far more ambitious target for 2020 that no one expects any Government to reach?

Mr Clarke: If I had another six minutes I would be very happy to answer the hon. Gentleman, but if he does not mind, I will just make my own speech.

There is profound disappointment with the influence of regulators, particularly in the energy sector, for gas, electricity, oil and the rest. We are seeing the impact of that influence in what people are actually paying day by day, and in the job losses being experienced as a result.

As I said, my constituents are well informed, as the House would expect them to be. Mrs Agnes Baillie, from the lovely little village of Auchinloch, who is 85, knows what the change in the pensions inflation link from retail prices index to consumer prices index means, even if the Secretary of State does not—he skipped over that in his speech. She knows that from 2011 that change will apply to state second pensions, public service pensions and some private occupational pensions, that RPI is not CPI, and that both the Conservatives and the Liberal Democrats gave firm pledges in their election manifestos that they would not change the existing arrangements—they certainly did not say that they would change things to the disadvantage of current and future pensioners.

The Secretary of State scoffed at the mention of the banks, which is both astonishing and disagreeable. The banks' behaviour is at the heart of all the problems that we are dealing with, and we will not get the economy right if we do not address that; instead, we will get stagnation and lack of growth. Firms will be unable to get off the ground and young people will be unable to get on to the housing ladder if the banks are not challenged more profoundly than they have been so far.

The last words of the Chancellor's Budget statement were:

"We have put fuel into the tank of the British economy."—[*Official Report*, 23 March 2011; Vol. 525, c. 966.]

Is that at the expense of 80,000 people, including 2,000 disabled children who live in residential care homes? If so, it tells us a lot about this coalition Government and the values that they hold.

6.32 pm

Stephen Barclay (North East Cambridgeshire) (Con): First, further to a number of the speeches from Labour Members, including the hon. Members for Rochdale (Simon Danczuk) and for Birmingham, Erdington (Jack Dromey), who I am pleased to see are still in the Chamber, I shall first suggest that the difference between the parties is less than is claimed. Secondly, I shall highlight the fact that significant waste remains, and that waste cannot be cut too fast or too deeply. Thirdly, I shall highlight the disconnect between the House's responsibility for setting a Budget and debating it, and the information available for effective scrutiny.

Is the gap between the parties as wide as Opposition Members claim? All parties would have spent beyond their means in this Parliament. The Office for Budget Responsibility says that under the coalition, national debt will be £1.31 trillion at the end of this Parliament. Had Labour remained in office, national debt would have been £1.38 trillion. A difference of £62 billion is not insignificant, but to put that in context, it is less than we will be spending in a year on debt interest by the end of the Parliament. It is therefore not credible to say, as a number of hon. Members have done, that public services will be put at risk. After all, the Government will spend £700 billion a year, which is 40% of gross domestic product—more, in fact, than Tony Blair was spending when he left office.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): Will the hon. Gentleman clarify that point? Does he not recognise that one crucial difference is the configuration of spending under Tony Blair? That spending went mainly on services, but under this Government, the money will be spent on massive unemployment.

Stephen Barclay: Had the hon. Gentleman bothered to be here for the whole debate he would have heard some of the points made by my colleagues, including the fact that £42 billion is being spent on debt interest this year alone.

The hon. Gentleman is quite right to ask where the money is going, which brings me to my second point: waste in spending. The focus is often on top salaries in the public sector, but in Cambridgeshire there is one station manager, or a more senior officer, for every four

[Stephen Barclay]

full-time firefighters, one police sergeant for every four constables, one inspector for every three sergeants, and one chief inspector or above for every inspector. There has been huge inflation in management costs.

Opposition Members may chunter, but let us look at what many of those managers do. The Ministry of Justice asked local authority youth offending teams to collect more than 3,000 bits of data on process, and yet outcomes were still not measured, so the YOTs still cannot say which prevention schemes work. There has been an inflation of management salaries, but often the same people are paid for the same performance. The chief fire officer of Cambridge earns £190,000—£60,000 more than the chief constable—and has three deputies on £150,000, £140,000 and £130,000 each. Perhaps Opposition Members were marching on Saturday to protect such salaries, but we need to look at productivity, and at what we get in return for those salaries and that inflation in management spend.

Jack Dromey: On productivity, the Prime Minister hailed local government as the most efficient part of the public sector. Can the hon. Gentleman square that with demanding up-front, front-loaded 28% cuts, the consequences of which are being felt in my constituency?

Stephen Barclay: The hon. Gentleman mentioned productivity, but I urge him to read what the independent National Audit Office says about the health service. Spending doubled, so of course waiting lists went down—we would expect that—but the NAO found that health productivity fell dramatically. The spending fell to many of the best-paid staff such as consultants, so productivity did not match funding.

On procurement waste, the NAO says that Firebuy, an arm's length body set up by Labour, cost twice as much to set up and run as the savings that it made. On NHS procurement, the NAO found that

"NHS... trusts pay widely varying prices for the same items."

One NHS trust bought 177 types of surgical gloves.

The huge waste in the opaque spending in local budgets needs to be addressed. For example, Cambridge fire service spends £1.77 million, an increase of £600,000, on what it defines as "other services and supplies". It cannot explain what that spending is. Cambridgeshire police define £7 million of spending as "other".

Kwasi Kwarteng: What was the cause of all that waste in the first place?

Stephen Barclay: I would attribute it to a number of factors. Let me give an example. I have mentioned local spending in Cambridgeshire, but a national organisation, Ofcom, is an arm's length body run by a former adviser to Gordon Brown and Tony Blair. He was paid £1.5 million over the last four years, and he reduced his head-count but managed to increase his staff budget. Last year he spent £9.8 million on 180 different consultancy providers. Ofcom even managed to spend £200,000 on newspapers and magazines, but it has only 800 employees, which works out as more than one free newspaper a day for every member of staff. Seven Ofcom staff managed to claim in expenses more than the average wage, with one

racking up £5,500 on taxis. I do not know whether they took taxis to the protest on Saturday, but that is the waste that we hear about.

My local police bought six Land Rover Freelander cars for senior officers at £28,000. Bobbies on the beat are far cheaper than the management tier, and I suspect that they make more arrests. We should look to protect front-line services, not to make cuts in them when there are other significant costs.

My final point is on the disconnect in terms of the information that the House has when it sets Budgets. I do not believe that we are effectively scrutinising what happens. In 2009-10 we spent £1.5 billion on consultants and £700 million on arm's length bodies, without any central data being collected. So we know there is waste. Gershon, Green and many others have looked at the matter, and I welcome the steps taken by the Front-Bench team in setting up the Major Projects Association, even if at the moment it only has 38 members of staff. In 13 years in office, however, the Labour party did not even define what a major project was, which is why we have such wide variations in Government.

Despite all the differences in the headline figures and some of the scaremongering we have heard, I hope that we do not lose sight of how money is spent. We cannot cut waste too fast or too deeply. It is clear that there is waste in our system, and unless we have good-quality data with which to benchmark, standardise and give visibility to the problem, our debates will end up returning to the soundbites that we have heard too frequently over recent days.

6.40 pm

Emma Reynolds (Wolverhampton North East) (Lab): There seems to be agreement across the House that one of the main lessons of the global financial crisis is that we need to rebalance the economy. In my view, the major objective for the Budget should have been precisely that, because it is the only way to drive sustainable growth and job creation. There are two major ways to do that, and correspondingly two tests that I set the Budget. First, it should rebalance the economy away from an over-reliance on financial services, and secondly, it should reduce the regional economic disparities in our country.

On the first test, we should recognise that our country has a proud history of making things, and we remain the sixth-largest manufacturing country in the world. Manufacturing growth is currently outstripping growth in the service sector. In my constituency, which is part of the black country—once the beating heart of the industrial revolution—manufacturing still accounts for one fifth of jobs. The aerospace cluster in my constituency is thriving, although against a backdrop of a worrying overall rate of 8% unemployment. One company in that sector, Goodrich, is currently on a recruitment drive, creating 100 new jobs. At the end of his Budget speech, the Chancellor said that he wanted to give meaning to the words, "Made in Britain", but if the Chancellor wants goods to be made in Britain, why did he slash capital allowances in his emergency Budget in June and use the £2.7 billion to deliver a cut in corporation tax, as set out on page 44 of the Red Book? This transfer will disproportionately benefit the banks at the expense of manufacturing. How is that consistent with the Chancellor's desire to prioritise manufacturing?

The tax reliefs that the Chancellor announced last week are a flimsy sticking plaster for the much deeper wound he left in June. In the words of the Institute for Fiscal Studies, the Chancellor is

"giving with one hand and taking away with many others".

The same is true of the Government's local enterprise partnerships, which they trumpet as an innovative scheme. I want to pay tribute to those businesses in the black country that have successfully formed an LEP, but again the Government have given a false prospectus to these businesses. They tell people to apply for the regional growth fund, but it is a tiny pot of money—one third of what was available for regional development agencies—and is said to be over-subscribed by 10 to one. The Government know that it will leave many more disappointed than successful among those who have applied.

The regional growth fund comes nowhere near filling the hole left by the very successful regional development agency, Advantage West Midlands, which was mentioned by my hon. Friend the Member for Birmingham, Erdington (Jack Dromey). Once again, the Government give with one hand, but take away with the other. I would like to think that the enterprise zones will in reality deliver what the Government claim they will deliver, but I am worried because even the Conservative Chairman of the Treasury Select Committee, the hon. Member for Chichester (Mr Tyrie), warned last week that they risk distorting activity and adding no new jobs. The risk is that they will simply incentivise existing businesses to move into a low-tax zone without employing more people. Britain needs job creation, not job relocation.

On the second test, there needs to be a rebalancing of economic wealth across our nation as a whole to reduce growing regional disparities. Globalisation has brought many opportunities to the UK, but all too often the communities in the midlands and the north have borne the brunt of the risks and insecurities of globalisation, while the rewards have tended to flow to London and the south-east. Unemployment in my constituency is 8%—double what it is in the south-east—and we are losing 300 jobs at New Cross hospital and 500 jobs at Wolverhampton city council. And this is just the tip of the iceberg. The Chancellor is taking a reckless gamble by expecting the private sector to pick up the pieces of his massive public sector cuts. He is driven by an ideological commitment to a smaller state. The Budget crucially fails to redress the growing economic disparity between the south-east and the rest of the UK. Areas such as the west midlands need more stimuli for the private sector than other areas. For example, the decisions about the regional growth fund need to prioritise areas hit hardest by the global financial crisis.

The Budget fails both my tests: of rebalancing the economy towards manufacturing, and of redressing growing regional disparities. We want to see more goods made in Britain, but the Chancellor's actions do not match his rhetoric, and in fact run contrary to it. With growth down, unemployment rising, youth unemployment at a record high and consumer confidence sinking, households are seeing their living standards falling as prices outstrip wage increases. The Chancellor should have had the humility to realise that his cuts are too deep and too fast, and that his massive private sector gamble simply is not working. My constituents are bearing the brunt of his reckless Budget.

6.46 pm

David Mowat (Warrington South) (Con): We have heard a lot this afternoon about the serious deficit left to this Government, but there is another aspect of the economic legacy referred to by the hon. Member for Wolverhampton North East (Emma Reynolds): the incredible imbalance in our economy between London and the regions in the north, Wales and the midlands. At the tail end of the previous Government, gross value added in London per head was accelerating away from the rest of the country and now is approximately double what it is elsewhere. That is an awful statistic. In no other country in the world does the capital city dominate the economy to that extent. It is not a natural situation. It does not happen in France, Germany, Holland or anywhere else, but it happens here.

I disagree with the hon. Lady. I think that the Budget has started to deal with the legacy left to the Government. One thing that the Budget has to do is tackle the problem I have outlined, and I am delighted to say that we have started to do that. The Budget has developed 21 regional development areas, one of which I hope will end up in Warrington. One policy developed before the Budget was the national insurance holiday for start-ups in the regions, and I was genuinely disappointed that Labour Members voted against it, in favour of a different proposal that, by the way, would have simply put more money into London. We have to address the imbalance, and that is what we will do. The Budget has started to do it already.

There are three other areas in which we have to make progress. We have not talked during this debate about energy policy. Energy is a regional issue. One unit of GDP growth in the regions is more reliant on energy than it is in London and the south, because in the regions we manufacture, whereas London and the south tend to be more financial-services oriented. Energy prices matter, but I am concerned that we are sleepwalking into becoming a high-energy economy. I support the announcement of a carbon floor price in the Budget. It is right to have that stability, because we have to invest in power stations, but I am concerned about the haemorrhaging of money that is costing industry a great deal. I am talking about some of the renewables investment we are having to make.

Thanet wind farm was a stunning technical achievement, but it requires a subsidy of £1 billion over its lifetime. We cannot just keep doing that. If we are going to meet our climate change commitments by moving industries from the north of England and the midlands to India and China, it will not be a great success.

The other aspect of economic policy that matters to regional rebalancing is infrastructure, which generates jobs and transfers wealth between locations. I make no apology for heavily supporting High Speed 2. The economic case and business case for it are strong, and I hope that we make progress on it quickly. KPMG has estimated that High Speed 2 on its own will bring 40,000 further jobs to the north and to Yorkshire. Those are jobs that we need very much. I understand if Members on both sides of the House—and certainly Government Members—are sceptical about aspects of that or if they question the business case. If the business case needs to be questioned, it is right that we should do so; I just note in passing that the business case for neither High Speed 1 nor Crossrail was questioned in the same way.

[David Mowat]

My final point about building regional strength involves skills. I was pleased that the Budget had more money for science—and in particular more money for Daresbury, although I will be churlish and say that I was disappointed that Harwell got more. I am also delighted that we continue to make progress on apprenticeships. However, that is not enough by itself: we have to build a technology-based economy. That will be the only way in the future. A shocking statistic is that, despite increasing the number of graduates by a factor of five over the past 25 years, we now have fewer people studying engineering at university than we did 30 years ago. That is not how we will build technology-facing companies such as Microsoft, Apple, Dell and Yahoo!, which did not exist 15 years ago and which, had they been in this country, would frankly have wiped out all our unemployment in one go.

I disagree with the hon. Member for Wolverhampton North East. The Budget has made a start to fixing the appalling legacy of the misbalanced economy that we have been left. It is a long, hard road, but we have to start somewhere.

6.52 pm

Ian Lavery (Wansbeck) (Lab): Many of the people affected by last week's Budget were in attendance in Hyde park on Saturday. Some 500,000, I believe, were there, marching against the Government's cuts. It was a privilege and an honour to stand shoulder to shoulder, along with many Labour colleagues, with so many people in the UK—nurses, doctors, teachers, policemen, prison officers, council workers and trade unionists, among many others, including many people representing local charities, community groups or professional organisations. It was an absolute credit to the TUC and Brendan Barber that they organised such an historic event. Those 500,000 people gave a clear message to the Con-Dems about last week's Budget and the cuts agenda, which is going too far, too fast. The Budget again hit the less well-off, not the more affluent people in this country—not the millionaires on the Government Benches.

I want to focus on two issues. The first is the Chancellor's announcement last week about the carbon tax—or the carbon floor price. It could have a devastating impact on Rio Tinto Alcan, which is the biggest private sector employer in my constituency; in fact, it is the largest in Northumberland, employing 600 people and probably serving more than 1,000 people indirectly in the community. Alcan has put £100 million into the local economy, which is something that we greatly need. However, last week's introduction of the carbon floor price, in addition to the EU's emissions trading scheme, means that nearly a third of Alcan's running costs are due to legislation. It simply cannot sustain that. I am concerned that if we do not look at that, Alcan—a huge employer—might consider closing the plant. The Budget announcement certainly threatens the progress of what has been a tremendous employer. I would ask the Government to rethink their policy on the carbon floor price; and if possible, I would like to discuss that with the Ministers concerned.

Last week's forecast showed that growth figures had been cut, with inflation up, borrowing up, unemployment up and youth unemployment up to record levels. Again, that is extremely concerning. They say that the devil is

in the detail. I would refer to the Deputy Prime Minister, who has established a record in betraying the young people of our country. Perhaps he should have read the Red Book, as probably we all did. If he does, he will realise that the coalition Government did not announce from the Dispatch Box last week that they were reducing winter fuel payments to pensioners. It is an absolute disgrace that no one had the guts to stand at that Dispatch Box to tell the House and explain to the country that the Government were reducing winter fuel payments to people aged between 70 and 80. That is another broken pledge—another broken promise—from a broken man who is completely out of his depth.

Steve Webb: Will the hon. Gentleman give way?

Ian Lavery: No.

Quite frankly, the Deputy Prime Minister is controlled like a sycophant—a political Buzz Lightyear—by the very hands of the Prime Minister himself.

The other issue is the significant changes to the Health and Safety Executive and the Lord Young review—which was implemented last week in the detail of the Budget—which will cause huge problems for workplace inspections across the country. That is a great concern, because many people are still being killed in the UK or contracting illnesses or diseases as a result of working in industry. Again, I would like that reviewed. We should be proud of our health and safety culture—Opposition Members certainly are, but I am not so sure about Government Members.

Last week's Budget did nothing for the hard-working people of this country—some people describe them as the squeezed middle. There has been an attack on pensions, pay and conditions, rights in the workplace and health and safety. No wonder 500,000 marched so proudly against the cuts and the Budget on Saturday. The coalition Government would do well to listen to those people, rather than the inane ramblings of Batty Boris, the Mayor of London.

6.58 pm

Mr Tobias Ellwood (Bournemouth East) (Con): It is a pleasure to participate in this debate, and I am pleased to see so many hon. Members who also want to participate. I have done my best to speak in other Budget debates, and I am under no illusions that this speech will be read or listened to any more than my previous contributions.

This year's debate has a different atmosphere from previous years. In 2007 and 2008, there was a sense of denial. In 2009, there was a period of inertia as we waited for whoever was going to win the general election—either Labour or Conservative—to grasp the nettle and make the decisions that the country needed. Finally, in 2010, we saw the launch of the long overdue plan. It is only this year, 2011, that we are really experiencing that pain, which has been debated at length today and in the past four days.

The state of the economy clearly dominates our lives. It is complex: like the cockpit of a 747, there are many buttons, switches and levers. Knowing when to pull a lever and for how long affects the overall performance, the direction of travel and the comfort—or, indeed, the displeasure—of the passengers, who rely on a duty of care. There are four principal levers that we have for the economy: fiscal policy, which determines the management

of our deficit and our debt; monetary policy and interest rates, which are now set independently; the regulation of the financial sector and the relationship between the Bank of England, the Treasury, and the financial and business sectors; and finally, micro-economic policies—how we approach education, how to get a competitive tax system, and so on. We need to decide how to use all those levers at this delicate time, as we try to mend the economy. We can be dedicated and vigilant pilots, but we will have our work cut out if we are handed a machine that has been battered and bruised by the previous owner. It is exactly the same with the economy.

We have had five days of debate on the provisions in the Red Book. I will not go into the details of all the issues that have been raised. At the weekend, as I was thinking about what to say in my speech today, I watched the rally that was taking place in Hyde park. I saw all the banners; it was like a summer camp for the unions, like a revival for them as they all called for more money for their own area. They wanted more money for pensioners, for health, for education and so on, but no one said where the money was going to come from or how it was going to be generated, and we have heard no such explanation from Opposition Front Benchers today.

The rally said a lot about Labour, in that the Leader of the Opposition is now firmly embedding himself with the unions. Incidentally, I think he was unwise to make comparisons with previous struggles, such as those of the suffragettes or the US civil rights movement, or with the fight against apartheid. It would also have been nice to hear a bit of mea culpa, a bit of recognition that Labour was partly to blame for what is going on.

Frank Dobson (Holborn and St Pancras) (Lab): Does the hon. Gentleman accept that the issues to which the Leader of the Opposition referred all had one thing in common with the rally on Saturday—namely, that no Tories took part in any of them?

Mr Ellwood: I did not receive my invitation. Perhaps I shall find it in my office when I go back there.

The bottom line is that we inherited an economic nightmare—the worst of the messes in the G20. The gap between the richest and the poorest had grown since Labour came to office, and the size of government had bloomed. In the past decade, the civil service had grown by an additional 800,000 people. I have no idea what those people actually did, but they were in addition to those who were running the country a decade earlier. That is the bloated government that we need to try to get rid of. There was also a culture of encouraging people not to work. It was never easier than under Labour to do nothing and get paid for it. Those are the kinds of issues that we need to tackle.

The number of regulations introduced under Labour was astonishing. We are now faced with about 21,000 regulations, of which about 10,000 were created by the last Government. As I said earlier, Labour was planning huge cuts, had it won the election; it just did not say where they were going to be made. Had it won, it would have received a lot of the grief that we are receiving today, because it would have had to implement very much the same measures that we are implementing.

Looking back at the legacy that we left Labour, we can see that there was an unbroken period of growth from 1992 to 2008. We had growth up to the economic

downturn in 2007. The deficit in 1997-98 was £15 billion. By 2007—before the economic downturn—it had already increased to £33 billion. We were not living within our means.

Emma Reynolds: I want to put the same question to the hon. Gentleman that I put to the Secretary of State. Up until 2008, his party backed our spending commitments, so is there not a little bit of revisionism on his side of the House?

Mr Ellwood: I was not in government then. The spending commitments that we backed did not take into account the state of the economy at the time. They were the plans for the future, but they did not take into account the money that had been spent.

The point that I was trying to make was that, from a deficit and a debt perspective, the previous Government wasted money during the boom years. They lived beyond their means, which placed us on the back foot when the economic downturn came. Again and again, we hear Labour say, "It isn't our fault. It was an international issue. It was the Americans. It was Fannie Mae and Freddie Mac. It was the sub-prime market." Well, that was possibly the case at the start, but in 2007, 2008 and even 2009, I could have gone to Bradford & Bingley and picked up a 125% mortgage. That was simply wrong. We were still not in control of the situation well after we knew that things were going down the pan.

The Opposition's approach is now based on several themes. They tell us that, 12 months ago, unemployment was falling, growth was rising and inflation was low and stable. However, unemployment was higher when Labour left office than when it came in. In fact, that has happened every time Labour has been in office. No emergency measures had been put in place. Unemployment goes up in every recession; that is one of the impacts. It was wrong of the right hon. Member for Birmingham, Hodge Hill (Mr Byrne) to suggest that if Labour were in power now, unemployment would continue to fall. That is completely incorrect. The Opposition also talk about growth, but it is actually continuing to rise. It rose by 1.3% last year, and the figure will be 1.7% this year. That is not what we expected, but the economy is still growing faster than the EU average. Of course, 2011 is going to be a year of pain. Urgent measures have been introduced, and the VAT rise will hit us.

I do not have time to go through all the other aspects of the situation, but I will end by saying that the Budget is all about continuing to bring spending under control. It is about gaining sustainable revenues from the banks and protecting the most vulnerable in our society. It is also about a shift from big government to small government, and about providing businesses with the tax breaks and incentives to expand, to compete in new markets and to tackle the expected rise in unemployment. History will show that we came close to the economic abyss, but that this Government took the tough decisions necessary to build a strong and stable economy.

7.6 pm

Frank Dobson (Holborn and St Pancras) (Lab): In the debates in the run-up to the last general election, I was in the habit of saying that there would be four ways of dealing with the deficit. The first would be to make

[Frank Dobson]

cuts. The second would be to introduce tax increases. The third was the method that dare not speak its name but which would be employed by every Government around the world: inflation, which would involve paying money back at a lower value than that at which it was borrowed. The fourth would involve growth. This Government have been pretty good on the first three, but they have been very poor on growth.

The Government are now, as ever, turning their attention to holding down the living standards of people on middle and lower incomes. There is now talk among the Tories about restricting the legal rights of people at work and of paring back the minimum wage. There is also talk of reducing job security, and they have certainly done that for practically everyone in the country. We have also heard them say today, and yesterday, that they want to slash regulation, because it is a burden on business. In fact, good regulation is vital. It protects employees, consumers, the environment, public health and the taxpayer. Some regulation is unnecessary, and some of it is out of date. Some of it is cumbersome and time consuming, and some of it is out of proportion, but we have to accept that virtually all of it has been passed by this House, so we should not go blaming other people; we have introduced it over the years.

Another argument put forward by the Government is that British business is over-regulated. The Chancellor was quoting the OECD with approbation in his Budget speech, but he obviously does not read, or approve of, everything that the OECD does. It produces a league table of employment protection. Are we, according to that league table, the most over-regulated country in the world? No, we certainly are not. The United States is the least regulated country. Canada is the second least regulated, and the United Kingdom is the third least regulated. The Chancellor also referred favourably to Germany, so I looked Germany up in the league table. It is the 19th least regulated country. The German economy is far more regulated than ours, yet it is recovering more quickly. There has always been higher investment in plant and equipment in Germany than in this country, and a lower turnover of employees.

What we really need is better regulation, and, in some cases, more and newer regulation, particularly to help agency staff. Let us look at how the Tories are always trying to create a great fuss and fear. When the great Michael Foot introduced health and safety measures, which I have to say were welcomed from the Front Bench by that decent old Tory, William Whitelaw, there were dire predictions from a lot of Back-Bench backwoods Tories that it would lead to all sorts of terrifying consequences. Well, there has been one massive improvement. When people talk about reducing the "burden" of regulation in health and safety, I point out that before the Health and Safety Executive was set up, 651 people were killed in accidents at work; the comparable figure is now 152—and it ought to be lower still.

It was obviously good for employees that there were fewer injuries and less pain and suffering, fewer people suffering from bad health and fewer people losing income because they were out of work as a result of what had happened to them. However, it was also good for employers. The employers did not lose vital staff to accidents; they did not lose the value of the training that vital staff had received before they were injured; they did not lose a

great deal of production; they did not lose money; and if they obeyed the law, they were not in a position of facing court action.

The health and safety regulations were also good for taxpayers, because they reduced the demand on the national health service and meant that benefits did not have to be paid. People were not off work so they continued to pay tax and we did not lose production in the British economy. I hope that the Tory party, including the Prime Minister, will therefore stop all this scaremongering about regulation and health and safety, and take a much more careful and thoughtful approach to the problem. Conservative Members should try to make sure that when people are working in this country, they are safe from accidents and safe from illness caused by the conditions in which they work.

7.12 pm

Kwasi Kwarteng (Spelthorne) (Con): I am glad to have been called—a happy outcome for me.

It seems to me that Labour Members are ostrich-like inasmuch as they are not aware of what is going on or of what led us to the position we are in. There is always a context, and we appreciate that savings had to be made in Government spending. Everyone knows that. When we ask ourselves why we are in the position we are in, we get conflicting answers. As Government Members have said, Labour Members suggest that it was the fault of American bankers, of evil people in the City of London who were making too much money and of international business. I think my right hon. Friend the Secretary of State for Work and pensions even suggested that at some point they would blame Dr Evil. None of those reasons, however, is remotely relevant to the deficit or the fiscal situation we are in.

The simple fact is that we had a much larger deficit than any other country in the G7. These facts are known to the world. Labour Members have to accept that when they came into office in 1997, there were balanced Budgets. For four years, the then Chancellor of Exchequer essentially balanced the Budgets and it was a matter of deliberate policy in 2001 when the Labour Government turned the taps on and presided over a massive engorgement of the public sector.

It was that decision in 2001-02 that led to the position we are in now. The cause was simple: the last Prime Minister, when he was Chancellor, believed in his hubris that he had abolished boom and bust. He thought that the economy would keep on growing and that he could then use tax and other income to fund his bigger national projects and his huge public spending. What happened, of course, was that the economy stalled. The income receipts to the Exchequer stopped coming in, so we were left with this massive deficit of £160 billion—the largest in peacetime. The coalition Government came in with the principal purpose of dealing with the deficit. That has always been this Government's purpose. It was almost a Government of national unity, with two historic parties with different views and different traditions coming together to sort out the mess that the Labour party had left behind.

It is a very simple narrative, but because of all the obfuscation and the deliberately misleading comments of Labour Members, all that has been forgotten. My constituents are all too well aware of the mess that Labour made. In fact, one man said to me, "Well, we

have seen it all before; exactly the same thing happened in the 1970s. Labour comes in and makes all sorts of spending commitments, and we run out of money." It was that simple—and exactly the same thing has happened in Labour's last two years in power. Blaming the global crisis for what was essentially decisions taken by the Labour party in government is entirely wrong.

Emma Reynolds: Does the hon. Gentleman blame Labour Members for the recession in Germany, for the recession in France, for the recession in the United States and for the recession in other parts of the world? How can he stand up and say it was all our fault? It was a global financial crisis.

Kwasi Kwarteng: Let me point out to the hon. Lady that in Germany the deficit to GDP ratio was 3.3%; our deficit to GDP ratio was 12.8%. That differential had nothing to do with the global crisis; it had everything to do with spending commitments made on the Treasury Bench when the hon. Lady's party were in government. It is a deliberate obfuscation to try to blame the sub-prime crisis in America and all the rest of it for decisions taken by her party in government. It is like a magician's trick: one always tries not to let the audience focus on what is actually being done. That is what magicians do, and it is exactly the sort of tactics that Labour is employing. As I say, it is trying to obfuscate and shift the blame for decisions that it made.

I think it is a scandal and an insult to the intelligence of Members generally that Labour Members are still in denial about the mess they created and the errors they made, which were based on hubristic assumptions about the economy growing for ever and ever. We all remember the former Prime Minister himself saying that there was an end to boom and bust. What does that mean? Anyone who says "an end to boom and bust" genuinely believes that there will be no downturn and so makes spending assumptions on the basis that money from income receipts will keep coming in. That is absolutely crazy.

Emma Reynolds: I ask the question for the third time in this debate, as I have yet to receive an answer from Conservative Members. Why on earth did the Conservative party back our spending plans right up to the start of the global financial crisis? This is revisionism by the hon. Gentleman's side; it is his side that is being ostrich-like, not ours.

Kwasi Kwarteng: With respect to the hon. Lady, that is entirely irrelevant. Her party was in office; her party had the ultimate responsibility for the government of this country—not only in 2007, but for the 13 years before the last election. It is a strange paradox that when Labour Members got into power in 1997, they did the right thing. They balanced the books; for four years, we were not running deficits, as they stuck to our spending plans. The Chancellor was prudent; "prudence" was his favourite word. Then, all of that was deliberately swept away, and they went on a mad spending spree, which directly caused the deficit and the savings that have to be made now.

George Freeman (Mid Norfolk) (Con): Does my hon. Friend agree that the honest answer to the question put thrice by the hon. Member for Wolverhampton North

East (Emma Reynolds) is that if we were guilty of anything, it was to fall for the same lie that the British public fell for—to believe that new Labour had become the party of economic competence and that in government it could be trusted with the public finances?

Kwasi Kwarteng: My hon. Friend is exactly right. I think there was an element of delusion in the country inasmuch as people believed that Labour could be trusted with the economy. That was clearly not the case. Older voters I speak to in my party association and more widely in Spelthorne remember the appalling legacy of the 1970s, when exactly the same thing happened. None of this is new; we have seen it all before. Exactly the same thing has happened 30 years later: Labour came into power, made all sorts of spending commitments with the best intentions, but found that we had run out of money. It was that simple. On that note, I urge the House to vote in favour of the Budget motions.

7.20 pm

Mr Frank Field (Birkenhead) (Lab): Labour Members have already expressed the deep anxiety that is felt in not just Labour households but many households in the country about what the future holds for them. At the end of my short contribution, I shall return to a refrain that the Chancellor used at quite an early stage in his introduction of measures intended to rebalance the economy. We all know that we are experiencing immensely difficult times, but the Chancellor told us that we were all in it together. The question to which I intend to return is this: are we sharing those sacrifices fairly or not? However, I also intend to describe the challenges that the economic situation has posed both to the country and to the political parties.

Let me deal first with the question of national debt. Given that we hope to win the next election, I want to consider the position that we will inherit if we are entrusted with power by the voters on that occasion. Comment has already been made about the size of the national debt when the Government came to office. It was £760 billion then. We are told that we are now experiencing an extreme programme of cuts the like of which we have never seen before, and that at the end of this Parliament the national debt will stand at £1,400 billion. In other words, it will have doubled.

Our views cannot entirely be explained away by the fact that we disagree with the Government's policy of allowing unemployment to rise and the effects that that will have on Exchequer costs and revenues. Already, a third of the money that we borrow each year is to service our debt. The level of our long-term interest rates is therefore crucial and fundamental to our survival. It is difficult to see how we can come out at the other side as a great industrial and trading country if we lose our current rating and costs rise.

I have three more points to make, one to my own side and two to the Government. This is the first. Before the last election, we had a clearer view of our cuts programme. At this stage of a Parliament it is easy to blame the other side and to oppose all cuts, but the next election may be closely contested. We will have to account for our behaviour in this Parliament, and my plea to my party's Front Benchers is that we regain the clarity that existed before the last general election about where we would cut, where we would not cut, and where we would fight cuts.

[Mr Frank Field]

My second point concerns inflation. Although what we have is not wage-induced inflation but inflation that is imported, the Bank of England has been directed to reduce inflation to below 2%. The Government's current strategy for growth is based on a tough fiscal stance and a loose monetary policy. My worry is that in abiding by that inflation target, we might encourage the Bank of England to drive up interest rates in a vain attempt to control inflation. We know that that policy will not work, but it might satisfy those who feel that we should make more of an effort to reach the 2% target. It is impossible for Governments, once they have set themselves such targets, ever to abandon them, but this Government need to take such action if they are to safeguard future growth.

My last point is the one about our all being in it together. I have never known a Parliament in which the changes came so fast and were plainly so important, and I have no clear view on who is getting off lightly and who is not. A few weeks ago, in a letter to the Prime Minister, I wrote that I would be very surprised if I were the only person in the country who wanted all of us to be in this together but wondered whether we were. I suggested that he set up, in public, a committee whose remit was to examine that very question: are we all in it together?

If we are concerned about families, we should bear in mind that families, both rich and poor, have taken a significant beating from the Government. Obviously, however, my concern is not only with them but with the poor in general. I do not believe that any Minister on the Treasury Bench could stand up and tell us honestly that we are all in this together, and I consider that appalling. I think that the Government ought to take measures enabling us all to be better informed about the question on the occasion of our next major debate.

7.25 pm

Mr John Leech (Manchester, Withington) (LD): It is a pleasure to follow the right hon. Member for Birkenhead (Mr Field), who made some very measured comments.

I am delighted to be able to contribute to the debate, and to welcome a number of measures that will be good for Manchester and good for the people of Manchester. I must confess that I approached the Budget with a certain amount of trepidation because of the difficult decisions that the coalition Government had already made in order to deal with the mess with which the previous Government left us. However, I was also well aware of all the work done in the Treasury and between Departments to produce a Budget that would stimulate growth and help to kick-start the economy.

The question is whether the Budget has delivered for Manchester. Before it had even been announced, Manchester Labour councillors tabled a motion which is to be dealt with in the council tomorrow, stating that the council

"notes the damaging impact of George Osborne's budget on the people of Manchester."

It was pretty clear that, regardless of what the Chancellor announced, Labour would try to spin it as terrible for Manchester, just as it has tried to absolve itself of any blame for the financial mess in which the country finds itself and the unnecessary and vindictive political cuts that it has proposed in Manchester.

Of course, we would expect the Liberal Democrat opposition in Manchester to take a more positive view of the measures in the Budget. We would, perhaps, expect Simon Ashley, the leader of the Liberal Democrat opposition on the council, to say something like

"This is good news for... Manchester."

It's a double win because not only does it give incentives for new businesses to develop at Airport City, it also generates income we can use to encourage development across the whole of Greater Manchester."

However, he did not say that, although he has warmly welcomed the good news of the enterprise zone for Manchester. That comment was, in fact, made by Richard Leese, the Labour leader of Manchester city council, who, interestingly, is one of the signatories to the Labour motion that condemned the Budget even before the Chancellor had come to the Dispatch Box to deliver his speech. Yes, even the Labour leader of the council has been forced to admit that the Budget has delivered good news for Manchester.

Under the last Labour Government, private sector job growth in Manchester lagged massively behind that in the rest of England between 2003 and 2008, at less than half the average percentage. That is set to change under the coalition Government. Manchester airport was a beneficiary as one of the first enterprise zones, and up to 13,000 new jobs will be created in the city—more than five times as many as there are unemployed people in my constituency. At the same time, the Chancellor has given the go-ahead for the Ordsall Curve rail project, which will increase rail capacity and improve journey times and encourage investment, growth and job creation in Manchester. During 13 years in government Labour failed to deliver that vital infrastructure project, but it has been delivered in fewer than 11 months by the coalition Government, which is proof of the Government's commitment to investing in our rail infrastructure. Moreover, an extra £873,000 will come to Manchester to help to repair our damaged roads. That will go a long way towards dealing with the thousands of potholes in our streets.

All those measures will help to get people in Manchester into work and protect existing jobs, and the additional 40,000 apprenticeships that have been announced will help more Manchester residents to gain the skills and experience that are needed to grow the economy further.

What about those surviving on pensions? One of the lasting memories of the previous Labour Government was the derisory 75p rise in the state pension. For all their talk, the last Labour Government failed to deliver for pensioners. When the coalition Government were formed, there was a real commitment to give a better deal to pensioners. Pensions have been re-linked to earnings—which was unaffordable, according to Labour—and the triple-lock guarantee will ensure that there is never a repeat of the disgraceful 75p rise. Instead, as a result of this Budget, pensioners will receive an extra £4.50 a week, taking the pension above £100. That is in addition to the decision to make permanent the increase in the excess cold weather payment to £25 for every week of excess cold in the winter. My only objection is that the Chancellor has decided to follow Labour's plans and not to make permanent the temporary increase in the winter fuel allowance. In my view, that is a mistake and should be looked at again.

Finally, the Budget has also delivered on the coalition promise to take some of the lowest-paid out of paying tax altogether. The increase in the personal allowance by £1,000, and the announcement of a further increase next year, will scrap income tax for more than 1 million of the lowest-paid people. That puts the coalition on track to deliver a key Liberal Democrat manifesto commitment: to increase the personal allowance to £10,000. That has been welcomed by the Institute for Fiscal Studies as "progressive" and by *The Times* leader column for increasing "the incentives to work." These changes mark a stark contrast to the Labour Budget that abolished the 10p tax rate, increasing the tax burden for some of the lowest paid.

Overall, the Budget is good news for Manchester—

Madam Deputy Speaker (Dawn Primarolo): Order. Time is up.

7.31 pm

Catherine McKinnell (Newcastle upon Tyne North) (Lab): Last week, the Chancellor delivered a Budget and promised a plan for growth. There is no doubt that we in the north-east need growth, and it must be growth that creates jobs. The fact that the Office for Budget Responsibility's growth forecasts have had to be revised downward yet again is therefore deeply worrying for people across the north-east. In my constituency, there are currently 8.8 jobseekers per advertised vacancy, and in some parts of the north-east—mainly on Teesside—there are more than 19 jobseekers for each job available. Those figures are alarming, but we should compare them with the figures for the constituencies of the Prime Minister and the Chancellor of the Exchequer, which are, respectively, 1.9 and 1.6 jobseekers per vacancy. That makes it clear that we are simply not all in this together. Moreover, these are the figures for the period of time before many of the Government's spending cuts have started to bite; about 50,000 jobs in both the public and private sectors are expected to be lost across the north-east.

The Government believe that the private sector will move in to fill the gap, but I believe that is misguided. The abolition of One North East has left a gaping hole in the capacity of the north-east economy to drive growth, and there is genuine and widespread concern that many of the opportunities for growth in the region could be lost due to the lack of properly funded and co-ordinated structural support. I hope I am proved wrong for the sake of our region, but this Budget and the downgraded growth forecasts do not fill any of us with much hope.

The Chancellor announced in his speech last week the creation of 21 new urban enterprise zones, and he stated that one of them would be located on "Tyneside". Although I have grave doubts about the overall policy, I acknowledge that we need swift action, clarity and leadership in implementing it if it is to deliver the positive impact the Government intend. Yet how do the Government intend to ensure that the policy does not simply lead to jobs and businesses moving from one part of Tyneside to another? How will they guarantee that it genuinely creates new jobs? Serious thought will need to be given to how these zones will contribute to a genuine rebalancing of the economy, when so many zones have been announced across the country, including

in London. That view appears to be shared by the North East chamber of commerce, which last week expressed its concerns that

"the plan for 21 across the country smacks of spreading a policy too thin."

Ever since I was elected to the House, I have been campaigning for apprenticeships. The benefits are clear and widely accepted. Apprenticeships provide a structured career path for young and older people alike, while also helping to develop the skills that UK plc needs if our economy is to move back into growth and compete effectively on the global stage. Expanding the number of apprenticeships is vital for employers and employees, and for the country as a whole. I therefore believe the Government should be doing everything in their power to increase the number of places available.

That is why I introduced my Apprenticeships and Skills (Public Procurement Contracts) Bill, which seeks to increase the number of apprenticeship places by making that a requirement of public procurement. I have had a number of discussions about my proposals with the Minister for Further Education, Skills and Lifelong Learning, and I thank him for his positive response. He recently confirmed to my local paper that he is

"a strong advocate of the use of public procurement to support our objectives".

and I have no doubt that his support and persistent enthusiasm have been very influential in securing the further 50,000 apprenticeship places that have been announced for the next four years. I am concerned, however, that the Minister has a real challenge ahead to ensure that all of his colleagues are singing from the same hymn sheet on this issue, particularly as *Construction News* recently quoted the Minister for the Cabinet Office and Paymaster General as stating that the Government would not be backing his idea because the use of public procurement to stimulate the creation of more apprentices was simply not appropriate.

Governments cannot create apprenticeships; businesses do that. Government must provide support for businesses by helping with training costs, incentives and encouragement, but without growth in our economy, real, new apprenticeship opportunities will not be delivered.

The Secretary of State outlined earlier a chicken and egg situation: young people are unable to get work experience and therefore unable to get a job, and as they are unable to get a job they are unable to get work experience. The same applies to apprenticeships. Businesses are required in order to create apprenticeships, but they will not have the confidence to provide those opportunities if we do not have growth. Therefore, although I welcome the positive moves in this Budget in relation to apprenticeships, providing funding for places is not enough. Government must take the lead, and be seen to take the lead, by using all available levers to increase both the number of apprenticeship places available, and the number of apprenticeships completed. I truly believe that one of those levers has to be the use of public procurement, for Government to lead the way for businesses.

7.37 pm

Mr Edward Leigh (Gainsborough) (Con): It is a pleasure to follow the hon. Member for Newcastle upon Tyne North (Catherine McKinnell), and her comments about

[Mr Edward Leigh]

the importance of apprenticeships are right, of course. I want in particular, however, to congratulate the right hon. Member for Birkenhead (Mr Field). In the past he chaired the Select Committee on Social Security, and I was proud to serve on it with him. He gave the best speech of the debate—with the exception, of course, of the contribution from the Secretary of State; I will be in trouble if I do not say that. The right hon. Gentleman was realistic about the position we are in. I do not want to say a great deal about the structural deficit; we all know it is there, and how much it is. We all know the political imperative behind the Labour party campaign against the cuts. We also all understand that it is in the interests of the Government to play up that campaign because it makes them look stronger and more determined. It is therefore in the interests of both parties to talk about this topic in that way.

The right hon. Gentleman highlighted a point that I want to emphasise too: we have yet to turn the tide against the culture of spending and the fix of borrowing. We are going to borrow £485 billion over five years. That is more than our total public debt in 1997. The annual interest repayment on the UK debt for last year alone was £42 billion. I know the public cannot visualise what £42 billion is, but if we consider that we are spending more on simply repaying the interest on our debt than the entire amount we spend on educating our children, that should bring home the scale of the crisis facing us.

I am not a very party political person, so I am not very good at apportioning blame. We all know the last Government had to go through a massive international crisis, but we also all know that there was an underlying structural deficit that they did not deal with. The key question, however, is: what are we going to do now? I want to take as my text what the TUC has been talking about, because I would like to bring a few Opposition Members with me. The TUC asks how we are going to deal with this deficit without making cuts in public services, and it says there is £13 billion-worth of tax avoidance by individuals and £12 billion-worth of tax avoidance by corporations. Let us assume for a moment that that is true. How are we going to deal with it? If we follow the TUC line, the only way in which we can deal with it is through a radical simplification of how tax is raised and how the Government spend it.

The Chancellor made one historic announcement that has not been discussed much today, on the merging of national insurance and income tax. I urge him to continue with that theme, despite the siren voices that we have already heard, including that of a former Chancellor, who has said that it will result in winners and losers. The Chancellor must embark on this essential crusade. It may take many years, but it is vital, because simplification of the entire tax system lies at the heart of how we are going to deal with the deficit, with tax avoidance and with tax evasion.

The UK tax code has more than doubled in size since 1997 and it is now the world's largest, recently surpassing even that of India. The only way to achieve simplicity in taxation is through a gradual move towards a much flatter rate of tax for both personal and corporate income, while eliminating the complicated system of loopholes, deductions and exemptions. Thus we would,

eventually, have a system whereby we would set a single exemption for individuals, so that low-income earners would pay tax only if they earned more than a determined level of income. Many countries have already taken such an approach, including nine in eastern Europe, Hong Kong and Russia, the largest country in the world.

On defending the poor, I say to the right hon. Member for Birkenhead that it is not in the interests of the poor to have a so-called "progressive" income-based tax system. Such a system is structurally biased against them because they do not have the same access as the wealthy do to accountants and lawyers, and so cannot be instructed by them in the complex methods of tax avoidance. The poor are also caught in the poverty and unemployment trap. Many scenarios and Treasury models can be used, but it is estimated that if we had a flat tax rate of 22% with a £15,000 tax-free allowance, about 10 million of the poorest taxpayers would see their entire income tax burden disappear.

I know that people will say that the wealthy must pay more, but every time the top tax rate has been significantly reduced anywhere in the world, the wealthy have increased the proportion of tax income that they contribute. Under Mrs Thatcher's Government, the top tax rate declined from 83% in 1979 to 40% in 1990, but high-earning individuals paid 35% of the total in 1979 compared with 42% in 1990. So it makes sense to have a much flatter rate of taxation—it makes sense for the economy and for the poorest in society, and it makes sense in terms of re-creating a sense of enterprise in the nation.

Once we dramatically simplify the tax system and get rid of all those loopholes and deductions, we will be able to explain the whole Budget process so much more easily to Parliament. At the moment, the Budget process is largely incomprehensible. I have been involved in the "Clear line of sight" project, and we want to simplify the whole process so that we know, line by line, what we are spending on behalf of taxpayers and how we are trying to get the nation moving forward again. I urge the Chancellor to be vigorous and brave in this debate.

Several hon. Members rose—

Madam Deputy Speaker (Dawn Primarolo): I call Cathy Jamieson.

7.43 pm

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): Thank you, Madam Deputy Presiding Officer. [Interruption.] I am sorry, Madam Deputy Speaker; I knew I would do that one day. I have just left the Scottish Parliament, so I should have been slightly more careful in ensuring that I got the terminology right.

People I have met on the doorstep in my constituency are pretty clear about why they did not vote for either of the parties that make up this Government—it was because they remember what happened the last time there was a Tory Government. In Kilmarnock, people recall the loss of the factories that made the town well known worldwide: BMK carpets; Glenfield and Kennedy; and others. In the Irvine valley, the textile industry was all but destroyed as cheap imports produced in sweatshop conditions flooded the market. And in the former coalfield communities of Auchinleck and Muirkirk people remember

how Tory policies deliberately and systematically killed off the mining industry, leaving a generation of people on the dole for the long term.

My constituents resent getting lectures on a big society from people who have never had to worry about whether their weekly income is going to stretch to the extras that others take for granted, be it the school trip for the kids, the birthday present, or the day out to try to give the family some respite from the daily grind. They are angry that their public services are being slashed and that the voluntary sector is being left to pick up the pieces without proper funding. Over the years those former industrial communities have tried hard to stand on their own two feet. They looked to the Government for a hand up, not a handout, and we got people back to work during Labour's years in government.

Although people in my constituency did not vote for this Government, some of them perhaps had at the back of their mind the vain hope that maybe, just maybe, these Tories would be different, and would deliver a Budget that would bring some hope for hard-pressed families already worried about their jobs and keeping the roof over their heads. What did they get in reality? The facts are simple: unemployment forecasts have risen; inflation forecasts have risen; the growth forecasts have fallen; an increase in the personal allowance threshold was cancelled out by an increase in the cost of living; the cut in fuel duty was swallowed up by the increase in VAT; and the rise for pensioners was wiped out by the small-print cut in the winter fuel allowance.

The people on the Government Benches can have their private conversations, they can laugh and they can sit and smile—they can do what they like—but behind the figures we have heard about today are real people whose real lives are being affected now. The number of unemployed claimants in my constituency in February was more than 3,500, which represents a rate of 8.1%. Those people, who are desperately trying to get a job, feel that the Tories are reverting to type; they do not feel that the revised projections of unemployment rising are a price worth paying, but it is clear that the Tories do.

In Scotland Labour has pledged that there will be a Scottish future jobs fund that will create real jobs and provide training for about 10,000 young people, and for others who have been unemployed for six months or more. It will be supported by up-front and flexible funding for businesses to create those jobs. By contrast, the Tory Government here have announced only an extra 40,000 two-month work experience placements a year, and only 12,500 more apprenticeships a year.

I heard the Chancellor say in his Budget speech that the Government would consult the Scottish Government on how a new set of enterprise zones might operate north of the border. I welcome that. But before he does that, I want him to think about some of the criticisms of the previous incarnation of enterprise zones and ensure that his proposals do not fall into the same traps. The Institute of Chartered Accountants of Scotland has pointed out that although 63,000 jobs were created in the enterprise zones between 1981 and 1986, only 13,000 of those were new, the rest had simply been displaced. That will not do in the future. It will be important for those initiatives to be backed by significant infrastructure investment, and there must also be engagement with local authorities to build on economic regeneration work already under way. I am pleased that my constituency

has just received the news that we are to get £2 million in European regional development fund money, but we need more help from the Government to back that.

In conclusion, Madam Deputy Speaker—I got it right that time—when I was elected I pledged that I would work with anyone who had the best interests of my constituents at heart, even if that meant putting aside political differences. That is exactly what I have done in my support for the “Make it Kilmarnock” initiative, because East Ayrshire council, which set it up, is of a different political persuasion from me. But sadly, what will define this Budget in history will be the economic mindset of a political class that is walking in Margaret Thatcher's footsteps but has failed to learn the lessons of taking the wrong path on the economy.

7.49 pm

Bob Blackman (Harrow East) (Con): It is a privilege to follow the hon. Member for Kilmarnock and Loudoun (Cathy Jamieson).

Every Budget is a step along the way in implementing the strategy of any Government. Part and parcel of the strategy that the Government have chosen to follow is wholesale welfare reform, which I welcome. A plethora of benefits are being simplified, people are being taken out of taxation, and the central issue at the heart of that strategy is that work should always pay. In this country—including London—today, I could take hon. Members to places where there are three generations of people who have never worked. They feel that it is better to be on benefits than to work, and we have to change that fundamental view in society.

My right hon. Friend the Secretary of State mentioned in his opening speech the scandal that is housing benefit in society today. It has fuelled rental rates and has got totally out of control. The squeals from Opposition Members when we try to implement fairly simple and straightforward reforms to housing benefit are legion. The housing benefit reforms are long overdue, and I welcome them.

Last year, after the general election, we had an emergency Budget that set out the emergency position that had to be implemented to counter the inheritance that this Government received. Some tough decisions had to be made at the time, and we were all warned that they would have a catastrophic effect on the economy. Clearly, the financial markets and every sane and sensible individual in this country could see that those decisions had to be taken, for the long-term benefit of this country.

We then had the comprehensive spending review, which set out tough targets for public expenditure over a range of years. There was tremendous consultation, certainly among Government Back Benchers, to ensure that the decisions taken were in the long-term interests of this country. Now, of course, we have the Budget for growth. That is the third part of the story.

It is clear that we must have private sector growth that generates job opportunities for the people of this country. Governments do not create wealth-creating jobs; it is up to the private sector to do that, but it is Governments' duty to ensure that they create the environment in which the private sector can invest. The problem we inherited was that over the last 10 years of the Labour Government, the growth in employment all came in the public sector. Unsurprisingly, we hear from

[Bob Blackman]

Labour Members about the percentage or number of people in their constituency employed in the public sector. We need to rebalance the economy completely to make the private sector predominant, and that is clearly where we are going.

The Opposition have two mantras: "It's hurting but it isn't working" and "The cuts go too far and too fast". I detect the whiff of fear from Opposition Members that the Government's strategy will work, and that by the next general election the public will realise that all the tough choices the Government have made were in the best interests of the economy and that the Opposition were wrong, and Labour will be defeated heavily at the polls as a result.

The Budget has brought in long overdue planning changes. I am concerned, as I do not want local people to be overridden, but I want business to have certainty about the decisions that are taken. Decisions on planning will be taken within a 12-month window that allows businesses to plan for the future and allows everyone to express their objections and comment on areas of uncertainty.

The council tax freeze has, without a doubt, already worked. Every council in England and Wales has frozen its council tax this year, and the Government have provided additional funds to ensure that services are provided by local authorities. I look forward to the Government, next year and the year after, providing a similar type of grant to freeze council tax again, so that instead of council tax more than doubling, as it did under Labour, it is frozen under the coalition agreement.

We clearly need a work force who are fit for purpose and apprenticeships that are available. I welcome the decision to fund more apprenticeships and training and to ensure that the work force are ready for the jobs as and when they are created. That is a key part of the strategy. The challenge now, after this Budget for growth, is for the private sector to start to create the jobs that the Budget wishes to see.

There is also a challenge for the Opposition. There is a potential alternative: we could borrow more money, increase taxation, increase interest rates and get into a position where there is more bust in society. I am sure the whole House will take the view that the Government have embarked on the right strategy and the right course, and will endorse the Budget tonight.

7.55 pm

Graeme Morrice (Livingston) (Lab): Thank you for calling me to speak, Madam Deputy Speaker—although I am from Scotland, I can get your title right.

The Budget has been billed as the Budget for growth and jobs, yet many right hon. and hon. Labour Members have already demonstrated ably why it has failed to live up to its billing on growth. It is also crystal clear that it is not a Budget for jobs either. Unemployment continues to rise, reaching a higher level than at any point under the previous Labour Government, yet the Chancellor's Budget did next to nothing to address that serious issue.

The Government, like all previous Tory Administrations, basically believe that rising unemployment is a price worth paying. When they say that we are all in it together, we know that what they really mean is that the

vulnerable, the unemployed and the poor are all in it together as they will bear the brunt of the Government's reckless policies.

Labour's priority in responding to the recession was to keep people in work. The previous Labour Government were determined to prevent the same devastation to families and communities that the Tories presided over in the 1980s and early 1990s, when unemployment rose to more than 3 million. Labour's strategy was working and unemployment was falling, but now, less than a year into the life of this Government, unemployment is rising again, reaching its highest level for 17 years. That should have put jobs at the forefront of the Chancellor's plans last week, but the evidence from his statement proves otherwise.

The £20 million funding allocated next year to support initiatives aimed at creating jobs is a pitiful amount in the grand scheme of things and the centrepiece of the Government's plans for promoting the creation of new jobs, the establishment of 21 enterprise zones in England—not applicable in Scotland—simply takes us back to the failed past of the Thatcher and Major years. Indeed, entrepreneur William Chase, founder of the Chase distillery and Tyrrells crisps, described the plan for enterprise zones as a "criminal waste of cash". He said:

"The Thatcher government wasted huge amounts of cash on enterprise zones in the eighties. They didn't work then and I don't see any reason why they should work now."

According to a recent Centre for Cities report, which my hon. Friend the Member for Rochdale (Simon Danczuk) mentioned earlier, the cost to the public purse of each additional job created in an enterprise zone during the 10 years of the programme was estimated at £17,000 at 1994-95 prices or £26,000 at 2010-11 prices, yet Labour's future jobs fund cost only £6,500 per job created and the new deal for young people just £3,500 per job.

Stephen Lloyd: Is the hon. Gentleman aware that recent research showed that 50% of people who had been placed through the future jobs fund were unfortunately back on benefits seven months afterwards? Does he agree that that shows that it might not have been money well spent?

Graeme Morrice: And 50% of those people continued in full-time employment.

The Centre for Cities report also said that most jobs had simply been displaced from elsewhere and so they may bring short-lived prosperity to one area at the expense of another. That point was ably made earlier by my hon. Friends the Members for Wolverhampton North East (Emma Reynolds) and for Kilmarnock and Loudoun (Cathy Jamieson) and for Newcastle upon Tyne North (Catherine McKinnell). Given the Government's professed enthusiasm for efficiency it seems bizarre that they should pursue such an inefficient means of creating new jobs, but when it comes to unemployment the Tories continue to be stuck in a time warp. They believe that the Thatcherite policies of the 1980s are the solution to today's job crisis, but we know they are no more the solution now than they were then, when millions were left on the unemployment scrap heap.

The most alarming aspect of unemployment today is the UK's high level of youth unemployment. As Members will know, the number of unemployed 16 to 24-year-olds increased by 30,000 in the last quarter to reach nearly a

million—some 20% of all young people—which is the highest figure since comparable records began in 1992. The Government have been pretending that this is somehow not their problem and that they are not responsible for that record high, but let us look at what they have done since taking office last year. They have axed Labour's future jobs fund—a criminally short-sighted decision—they have axed the education maintenance allowance, thereby disincentivising young people to stay in further education and improve their skills, and they have axed other employment schemes that were aimed at supporting into the workplace young people who have been out of work for more than six months. Let there be no doubt that this Tory Government and their Lib-Dem pals are the ones who are responsible for the record levels of our young people out of work.

Youth unemployment in my constituency stands at nearly 1,000, which is certainly not the worst figure in the country by any means, but every unemployed young person is one too many. I know from speaking to young people in my area that many feel a sense of hopelessness about their situation. They feel that little is being done to support them, that no one in Government cares about their plight and that their future is bleak. Once again, a whole generation of young people is being cut adrift by the dogmatic policies of the Members on the Government Benches.

The Government's work experience placements will not improve young people's employment prospects in the same way that six months of real work would. The Department for Work and Pensions has already said that

"the target group for work experience will be a very small proportion of young claimants aged 18-21"

and that it is not about guaranteeing young people a permanent job. The extra 12,500 apprenticeships a year announced in the Budget are woefully inadequate given that nearly a million young people are out of work and need help.

The Federation of Small Businesses has said that the Chancellor's Budget did not go far enough to incentivise job creation, so action on job creation is another clear dividing line between the Government and the Opposition. The Government stick with their reckless cuts and do nothing to address the record level of unemployment, particularly youth unemployment, that they are presiding over.

Madam Deputy Speaker (Dawn Primarolo): Order.

8.2 pm

Mary Macleod (Brentford and Isleworth) (Con): Thank you, Madam Deputy Speaker, for allowing me the opportunity to speak in this Budget debate, which affects each and every household in the country. The Budget presented last week was unique in post-war British history because the country has never found itself in more difficult times and the level of borrowing is at an all-time high in modern memory. We needed to face that challenge. Real politicians do not come into politics to be popular—they come to do what they believe is right. Politicians need to do what is right for the country and that is why the Government have taken some very difficult spending decisions. We need only look at Portugal, which has singularly failed to implement a credible plan to deal with its budget deficit, to see why

we need to continue with our plan to get our country back on track. We need to continue to deal with the deficit while also ensuring that the conditions for economic growth are in place and I commend the Chancellor on a job well done in achieving the balancing act referred to by the Institute for Fiscal Studies.

The Budget is first about promoting business growth, as we have heard already, secondly about helping households and families and thirdly about dealing with the tough issues that need to be addressed. First, on business growth, one aspect that stood out in the Budget was the measures to encourage business growth. The Prime Minister recently spoke of his desire to implement the "most pro-business, pro-growth, pro-jobs agenda ever unleashed by a government"

and I believe that the Government will achieve that.

How will we rebuild our economy? The new, low rates of corporation tax will help our home-grown businesses and will encourage new investment from overseas companies. Other measures include the entrepreneur's tax relief and new finance available for small and medium sized firms, the simplification of the tax system, the removal of red tape and unnecessary bureaucracy, the extension of the small business rate relief holiday and the increased funding for work placements and apprenticeships, which will encourage investment and trade, as my hon. Friend the Member for South Basildon and East Thurrock (Stephen Metcalfe) has said. There is also the support for science and technology that my hon. Friend the Member for Warrington South (David Mowat) mentioned. Those measures and others will help to stimulate business growth.

The reaction to the Budget from business has been favourable. The CBI's director general John Cridland has said:

"This budget will help businesses grow and create jobs. The chancellor has made clear the UK is open for business."

I have been speaking to businesses in my constituency to get their views on the Budget and how it will impact on them. Frank Wingate, the chief executive of West London Business said that his company

"welcomes the measures aimed at stimulating business growth—particularly lower corporation tax, enterprise zones, fuel price caps, reduced red tape and simplified planning processes. They will all help."

Mike Freely, the managing director of design firm Octink, who recently met the Prime Minister to discuss how the Government could help small and medium-sized enterprises, said:

"There is a lot in the Budget for Small and Medium Enterprises like ours and a feel good factor that should inspire more confidence throughout our sector".

The Budget has a lot to offer businesses both large and small. My constituency is full of successful and aspiring entrepreneurs and I hope that some of the measures in the Budget will encourage new business start-ups and continued expansion and investment. I am particularly interested in encouraging women who would like to start their own business, because a recent Federation of Small Businesses report has suggested that women could contribute far more to the UK economy if they started up more businesses. If we had the same level of entrepreneurship among our women as there is in the US, there would be 600,000 extra female-owned businesses contributing an additional £42 billion to the

[Mary Macleod]

economy. We also need to get more women on boards. I refer hon. Members to the recommendations in Lord Davies' report that FTSE 100 companies should have 25%-female boards and that companies should publish and disclose the number of women at all levels in their organisation. I believe that that would help to create growth, improve performance and make use of the great skills that are available to us in this country.

Secondly, the Budget will help households and families. The oil price, the scrapping of the fuel duty escalator and the cutting of duty have already been mentioned. I am also delighted that the Chancellor has announced the next step in increasing the personal tax allowance, as was mentioned earlier. Also, the announcement of £250 million to help first-time buyers will directly benefit many young people and will help on to the property ladder people who would not otherwise have been able to get on it.

Thirdly, the Budget is about dealing with tough issues. The Government have proved that they are not afraid to deal with difficult issues and the Chancellor has shown that he is willing to be resolute in fighting the deficit.

In conclusion, the Budget is one for business growth, helping households and families and continuing to face up to and deal with tough issues. We have a job to do and we are getting on with it. This country of ours has a genius for invention, industry and trade. There are great and powerful forces awaiting liberation in our economy—the forces of commercial creativity and innovation. Entrepreneurs just need to have their hands untied so that they can create wealth for this country. The Budget supports aspiration, will help many people to achieve great things for themselves and will create a stronger, sustainable and stable economy—a better future for us all. I commend the Budget to the House.

8.8 pm

Geraint Davies (Swansea West) (Lab/Co-op): I am pleased to say that this morning we had a coalition ground force moving into Swansea in a dawn raid at 8.30 am, with the Business Secretary alongside the Secretary of State for Wales talking in the chamber of commerce, and they had a great deal of local resistance from people with placards and the like. In Swansea, 40% of people in public services are facing cuts and unemployment, and we have been denied electrification by the Government, which would have meant inward investment in Swansea. In addition, Tata Steel has just had a bomb dropped on it about the new carbon tax, which will focus only on its facility in the UK and not on those in any of the other 20 countries in which it makes quality steel. Obviously, it is a very valuable employer in the area.

The people resisting the Secretaries of State this morning were similar to the hundreds of thousands who marched in London on Saturday. Who were those people? They were nurses, doctors and teachers—people who keep our work force healthy and educated. They were tax collectors who face losing their jobs—people who are supposed to be collecting tax more efficiently. They were police officers, who are meant to patrol and police, as well as look after the riots and protests being incited by the cuts. They were small business people who are clearly concerned that the Government's attitude

to small business is, "If you make a loss, sell your tools," as opposed to achieving growth through increased sales. They were service users—people who face cuts in libraries, leisure centres, pools, centres for the elderly, Sure Start and so on. The people on the march had one common cause—that there should be an alternative mix of growth, tax, cuts and timing that is optimal to confront the deficit before us.

It is worth reminding ourselves that the deficit did not come out of some sort of Labour inadequacy. It was the price paid to avoid a depression caused by the banks. Two thirds of the deficit—£84 billion—has been evaluated by the Institute for Fiscal Studies and others as being the impact of the financial disaster that we imported from sub-prime debt. The fiscal squeeze on which the Government have embarked is about £98 billion, more than the overall financial crisis. That is to take place over four years. The question is whether, if there is a massive outside impact on the country's financial deficit, we can hope to get rid of that and more within four years without disrupting our economic capacity and social fabric. Should it be the case that three quarters of that is cuts and only one quarter is tax?

The OBR has reached its verdict. It has had to change the growth forecast from 2.6% to 1.7%, which shows that less revenue will come in from people working, and the Government will have to rely more and more on savage cuts. There is an alternative, the Labour alternative—to halve the deficit in four years rather than get rid of it completely, and to use three methods instead of just one, cuts. The three methods are to focus on growth, make the bankers pay their fair share and make savings over time. Germany, for example, is clearing its deficit through export-driven growth, rather than focusing on cuts.

I was over in Germany. I went to UK Trade & Investment, which markets Britain for inward investment. There are lots of German companies queuing up to invest in Britain. Those offers were put on a computer platform for regional development agencies to draw down, but because the RDAs have been abolished, those inward investments are not being taken up and are going to other countries. German regions, let alone the whole country, have offices in Seoul and other emerging markets and are trading and getting inward investment there, and we are not. We are undermining our ability to grow. Instead of a budget for growth, we have cuts.

Growth went negative in the last quarter of last year. Why? Because consumer confidence, the inclination to spend, and investment confidence were washed away by the talk of austerity and the reckless, breakneck speed at which the cuts were made. In addition to the 300,000 people who are to be sacked from public services, PricewaterhouseCoopers says that another million jobs will be lost in the private sector, costing around £7 billion in lost tax and benefit costs per year. Add to that the £4 billion that we have to spend on restructuring the NHS to help privatise it, and the other costs of unnecessary structural change at a time of shrinking budgets, and we can see that this is economic incompetence at its worst. It is not necessary in its current contortion, it is not fair and it is not sensible.

The key issue on banks is that they need to provide liquidity to small business as the engine for growth. We all heard about Merlin, but the question is whether that

will be delivered. Sadly, a person in my constituency is on hunger strike over the issue. Finally, people may not have noticed the 3p reduction in inheritance tax given to bankers, who are now paying a smaller proportion. If they give money, for example through works of art, we can see from the fine detail—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order.

8.14 pm

Richard Drax (South Dorset) (Con): It is a great pleasure to follow the hon. Member for Swansea West (Geraint Davies) and other Members who have spoken so well.

May I begin with a story? It is about a family brewery in Blandford, which is not in my constituency, but in the neighbouring one. The brewery was run by one of my closest friends, David Woodhouse. Tragically, he died prematurely of a heart attack recently, aged only 49. His brother, Anthony, now runs the business, which employs 1,500 people, and he plans to invest £5 million in a new brewery. When David was alive, he and I used to speak regularly about taxes, red tape, bureaucracy. His bugbear was the duty on beer. "Do they realise," he used to say, "what politicians impose on our business every single year?" Our conclusion was that they—the politicians—did not realise, because so many have not operated in a business.

Now it is Anthony's turn and he is aghast that the beer duty, as we heard from my hon. Friend the Member for Burton (Andrew Griffiths), has risen by 10p for no reason other than the nature of the product he produces. Why do we go on punishing this industry, year in, year out? Is it to discourage drinking? If it is, there is no logic in punishing publicans who serve, in the main, law-abiding citizens in a safe environment. The lager louts get their beer from cheaper sources, not least the supermarkets.

On that subject, Mr Woodhouse makes an additional point. Pubs have to pay VAT on food, while supermarkets which sell prepared meals—often full of salt and preservatives—do not. This inequality is crippling the pub business. On the continent, VAT has been reduced on eating out—what an excellent idea and incentive.

The only other reason for this annual tax raid is to fill the Treasury's coffers. And this from a Government who want to encourage the private sector. Let us stop targeting the brewers, remove the escalator and allow a vital UK business to survive. On the subject of removing burdens, surely the Budget was a wonderful opportunity for boldness. Conservative economic principles—I emphasise "Conservative"—are simple: low taxes, the minimum of red tape and bureaucracy, fair and balanced employment law, and freedom from unaccountable institutions like the EU.

The EU is one of the main handicaps to business in this country and to growth and prosperity. We can talk until we are blue in the face about deregulating, removing taxes and all the rest of it, but unless we leave the EU and renegotiate a trade agreement, business will never truly be set free. The EU superstate will fail, as sure as eggs are eggs. The question is are we bold enough to lead the way to pastures new where our economy can thrive and our people prosper?

Let me dwell briefly on personal taxes. Why have we kept the 50p tax rate? I agree that we should all pay our fair share, but surely a ceiling of 40% is more than

adequate. Taxes are not there to punish people who aspire, work hard and contribute enormously to their country. Regrettably, and all too often, it appears to many that taxes imposed by the Opposition were based on envy. Our coalition partners are no better. The Secretary of State for Business, Innovation and Skills suggested a mansion tax. That suggestion was spiteful, vindictive and regressive. Let us lower personal taxes. There is more than enough evidence to suggest that such a move increases the tax take.

Finally, let me touch on Saturday's march. It proved to me and many others one point—how effective the Opposition had been in 13 years. Why? Because they effectively bought the electorate and created a bloated and unaffordable public sector. For those who are losing their jobs, I have every sympathy. We do not enjoy sitting on the Government Benches watching people lose their jobs, contrary to what many Opposition Members say. That is disingenuous of the Opposition. Now, as we have seen, tens of thousands of people are paying the price for Labour's ideology. Wealth, which pays for the public sector, must come from the private sector. It is here that we must be bolder and far more far sighted.

The Government must free us from the EU yoke, lower and simplify business and personal taxes, review employment law and create a leaner public sector that we can afford. Let us finally take politics and politicians out of the economy and allow our business men and women get on with it. The Budget is a small beginning, but more boldness is needed in the years ahead.

8.20 pm

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): I apologise to the House for my brief absence from the debate, which was caused by my attendance at a meeting that I had requested in a previous debate. After I intervened on the hon. Member for North East Cambridgeshire (Stephen Barclay), he said that I had not been here for the duration, so I would like to make that clear for the record.

I believe that a major focus of the Budget should have been the inclusion of measures that would boost growth, stimulate the economy and increase employment opportunities as a result, but what we have seen yet again from the Government is a set of ideologically driven and politically based measures, rather than anything based on practical economics. Fundamental to the Government's entire approach is the belief that cutting the deficit deeply and quickly will stimulate growth in our economy. The very cornerstone of this approach is wrong. A year ago a Member of this House responded to the previous Labour Government's Budget by declaring:

"We must not cut Government spending too soon and risk plunging a fragile recovery back into recession. Cuts without economic growth will not deal with the deficit".

The Member who said that is now the Secretary of State for Business, Innovation and Skills.

It seems that the Office for Budget Responsibility agrees with the Business Secretary. It has shown that growth is down for this year and next year. This revision of the figures is a sad reflection of the fact that the Government have got it wrong. It appears that the Government do not realise that if the economy is not growing, thousands more people will lose their jobs, fewer people pay tax, more people claim benefits and it

[Jonathan Reynolds]

becomes harder to get the deficit down. That is what we mean by cutting too fast and too deep, and I think that it is reasonable for us, as the Opposition, to ask the Government what their plan B is if the downward trend continues.

The lack of growth is the central story of the Budget, but the Chancellor did announce some measures aimed at mitigating this and they are worthy of consideration. Enterprise zones look interesting, but we will need more details of their resources. As a Greater Manchester Member, I am willing to give them a cautious welcome, given our inclusion in the initial list of zones, but I heed the comments of my hon. Friends the Members for Rochdale (Simon Danczuk) and for Livingston (Graeme Morrice) about the problems the zones might cause.

I had been hoping to hear more about improved resources for the regional growth funds, which seem to have modest budgets for what is expected of them. I worry that with the loss of the regional development agencies we in the north-west have lost more from this Government than we have so far gained. The Northwest Regional Development Agency was not a perfect institution, but research shows that it brought to the region more than £5 for every £1 it invested. I am not certain that local enterprise partnerships, which have more restricted powers and limited coverage, will be able to match that success.

I also welcome the Chancellor's comments on manufacturing. I represent a part of the world where manufacturing is still very important and am often frustrated by comments in the House to the effect that there is almost no manufacturing industry left in the UK. Such comments are very misplaced. The UK is a world leader in a number of high-value manufacturing sectors, including pharmaceuticals, life sciences, advanced engineering and aerospace. Although we cannot deny that the number of people employed in manufacturing has been in steady decline for 30 years—people in my area know that only too well—the British Chambers of Commerce states that output and value have risen throughout that time, hitting an all-time high in 2007. Manufacturing will never return to the share of the economy it had in the 1980s, but there is a real potential for growth. There was an excellent meeting of the associate parliamentary manufacturing group this morning, where we looked at finance for small and medium-sized enterprises. I hope that the Government will engage with the group and look at some of its work.

I also note with interest the measures in the Budget that are designed to make the planning process simpler. I welcome any changes that would stimulate economic growth, but the biggest barriers to growth in some areas come from a lack of powers for local authorities to deal with planning blight. I have been working with local businesses in Stalybridge. I am passionate about retaining our town centre and the sense of identity it gives our community. Traders tell me how their businesses are often affected by the number of empty and unsightly properties around them. In some cases, these are large buildings with absentee owners who are unwilling to sell in the present economic climate, yet their very presence deters new investment from coming into the area. In one specific case, a consortium is interested in buying a building that is falling down, but complying with the legislation to use compulsory purchase orders and the

powers to force a sale are difficult for local authorities. Piloting the relaxation of some of those regulations would be welcome, and I would be very pleased to see such developments.

I also want to say something about investment in infrastructure. I welcome the £85 million investment that the Government have promised in the Budget for a link between the Victoria and Piccadilly railway stations in Manchester, which will have a positive impact on journey times. I sincerely hope that in due course the Government will support the rest of the northern hub proposals, which would have a significant impact on economic growth in the area. In particular, I think there is a lot of scope to boost growth by improving transport links between the north-west and Yorkshire regions, and with that in mind I hope the Government will reinstate the planned Mottram-to-Tintwistle bypass through my constituency.

In many of the speeches made in the response to the Budget, Members have highlighted the impact of the Government's agenda on the poorest and most vulnerable people in our society. I will never abrogate my responsibilities to speak for these people and I endorse what has been said, but I also want to speak for the thousands of my constituents who may not be the most vulnerable but who are still struggling to get by. These working and middle-class people are the backbone of Britain, and right now they are finding life hard. Rising fuel prices, the increase in VAT and changes to tax thresholds, particularly the changes to indexation, will increase the pressure. Next year, families with incomes as low as £26,000 will lose their tax credits entirely, and the year after 1.5 million families will lose all their child benefit, which will be deeply felt.

For many of my constituents, the decisions taken by this Government are really hurting. With revised figures pointing to lower growth, higher borrowing and higher unemployment, there is no evidence that their approach is working. Is the Budget so ideological that the Government cannot see the danger signs staring us in the face? What we really need instead is practical and pragmatic economic leadership.

8.26 pm

George Freeman (Mid Norfolk) (Con): "Rescue, rebalance and recover". No, Mr Deputy Speaker, I have not got hold of a copy of the late George Best's doctor's notes, nor a copy of the advice from the right hon. Member for South Shields (David Miliband) to his younger brother after a mauling at Prime Minister's questions. I refer to the three words that the Chancellor used at the beginning of his Budget statement last week, which are so important in setting out its significance: "rescue" because the coalition has had to rescue the British economy from a debt crisis that would have seen our interest repayments rising to £70 billion a year; "rebalance" because the Labour party has tested to destruction the thesis that a modern economy can be driven through public spending and an unsustainable boom and bust; and "recover" because without a private sector-led recovery, we are condemned to a decade of stagnation.

Having listened to the debate yesterday and today, I must say that Opposition Members still do not seem to have got the two real golden rules of modern economics.

The first is that every pound they commit at the Dispatch Box, claiming it as their own, has to be earned by the private sector before it can be spent on public services. The second golden rule, which we proved in the '80s and must now prove again, is that cutting taxes on business increases the amount of money available to us in this House.

The truth is that, like a gambler forced to come home one day and 'fess up to his sad family that he has not been working but living off debt and gambling with his credit card, the British economy must now be weaned off the unsustainable boom that was fuelled by cheap credit under the Labour party. As in our personal lives, crises are always opportunities. The Budget was significant to me for this reason above all: it set out carefully the steps towards a sustainable recovery and the rebalancing of our economy. "What", I hear Opposition Members ask, "will this rebalanced economy look like and where will the jobs come from?" Let me try to explain.

The Budget again contains the seeds of the recovery: in the enterprise investment scheme reforms, in the venture capital trust reforms and in the encouragement for investors putting their own wealth at risk to start small companies, it will first be an enterprise recovery. In the emphasis on the clean economy, high-technology jobs and life sciences, it will secondly be a smart-growth recovery. And in the emphasis on corporation tax reductions and sending a signal around the world that this country is open for business, it will be a global and export-driven recovery.

Nowhere will that be cheered more loudly than in my constituency, Mid Norfolk, and my region, East Anglia, a region that for 30, nay 40, years has been treated by London Governments as nothing more than a commuter reservoir to feed the London economy. Our area has huge resources in offshore energy, in high-tech engineering at the Hethel centre, in the headquarters of Lotus, in Norwich research park, a global centre of food science and agriculture, in the university of East Anglia, a leading, world-class centre of climate science, and 40 miles down the road, in what the Americans would term one cluster, Cambridge university, with all its strengths in science and research. How woeful that over the past 30 or 40 years we have treated the area as a commuter reservoir.

Well, the people of East Anglia are ready to rise to the challenge, and with the investment in infrastructure that this Government have laudably managed to secure from a difficult financing settlement, in terms of dualling the A11 and the money announced last week for regional rail, we finally have some hope that our area will be able to stand again and lead the economic recovery as we have in the past.

Norfolk, as Members will remember and not need me to remind them, was the county that gave us the agricultural revolution, our finest military hero and our first Prime Minister, but it is a county that has been left behind and failed by the model of state dependency which the Labour party has pursued. In championing the high-technology and life science potential of our area, I draw attention to the Register of Members' Financial Interests. I am proud to have entered the House after a 15-year career helping to start some of those businesses and to help entrepreneurs to take the risk of creating new businesses.

In closing, I want to concentrate on the laudable support given to the life sciences. As we think about the markets throughout the world in which we have the chance to grow our economy, we should look no further than the recent Foresight report, which drew attention to the fact that the world's population will rise to 9 billion. With that rise will come huge markets in food, medicine and clean energy. Those are the markets of tomorrow, the markets in which this country has the potential to lead; and those are the markets for which this Budget will begin to sow the seeds of a sustainable recovery.

The significance of that point is not just economic. The Budget last week set us on the road to a recovery that we can be proud of—a recovery that will give this country back a sense of purpose throughout the world. What finer mission is there than to be a small nation putting its experience in science, trade and enterprise to the benefit of people in the developing world, giving them the hope that there is a model for them and that they do not have to take 200 or 300 years to reach the privileged position that we have reached? It is therefore with huge pride that I support the Budget and commend it to the House.

8.31 pm

Hazel Blears (Salford and Eccles) (Lab): I want to talk about work, the value of work, the economic necessity of work and the consequences of millions of people being without work.

Work is more than what we do; it goes to the very heart of who we are. When we meet people, what is the first question that we ask? "What do you do for a living?" In the early 1980s in Salford, in my city, we had two really deep recessions, high unemployment and flight from the city, leading to a completely unbalanced community, low self-esteem particularly among our young people, very high crime and antisocial behaviour and lots of family breakdown. Again, in the 1990s, after almost 20 years of Conservative government, I had 50% male unemployment in two of my inner-city wards and more than 70% youth unemployment. That scared our city, and it has taken us a whole generation to recover, and I am very worried that we are about to repeat some of the mistakes that we made then.

Unemployment has risen to more than 2.5 million, the highest since 1994; youth unemployment is almost 1 million, up 70,000 since the Government took office; and almost 30% of unemployed people in Salford and Eccles are between the ages of 18 and 24. But every statistic, every number, is a real person and somebody's life. Just in the past three days, I have been contacted by a young man called Jack, who is about to graduate in criminology. He has been a special constable for the past three years and is desperate to become a police officer, but he has very little chance of that now, with the cuts to our police service. I have also been contacted by Tracy, a young mum with three children, who went out and became qualified as an adult residential nurse, but again, we are making redundancies in the hospital, and she has very little chance of getting such a job.

The increase in apprenticeships in the Budget is of course welcome, but it is simply not enough. The future jobs fund would have given 150,000 opportunities to our young people, and in Salford and Eccles alone 800 young people secured opportunities through that fund and many have full-time work.

[Hazel Blears]

The enterprise zone at Airport City is also very welcome, but all the evidence, including from IPPR North in a good report by Ed Cox, shows that the previous enterprise zones were far more about displacement than about creating new jobs—and what we really need are those new jobs.

We find that some people are juggling two or three jobs on very low pay. They are desperate to make ends meet, they see little of their families and they have no leisure time. Others have no work at all; at least 10 people are chasing every vacancy in my area. Just last week, a charity shop opened on our local shopping precinct, and 200 people queued up for it to open. That is an incredibly grim existence—a really depressing life and no money to enjoy anything else. I remember the days when we talked about the future and how it would mean a decent home, a decent job and lots of leisure time. It was like a painting of utopia—we would have time to go to the theatre and have arts, beauty, culture and all of that. What we are left with is a reality where people have very little money and no time with their families, and cannot enjoy that better life.

If we are going to get through this undoubtedly difficult time and get our country on to a better footing, then we all have to pull together and do our bit. There is a big, resounding silence at this point. Yes, we need more volunteers, and public services do need to be more efficient, but if we really are all in this together, business has to step up to the plate, think hard and change the way it operates. Old-fashioned capitalism that simply maximises profit and squeezes its workers is exactly that—old-fashioned, out of date, and not always even very efficient. It is time to think hard about a new capitalism that is socially responsible, respects those who work and contribute, and makes good economic sense rather than one that is based on a race to the bottom with people competing for the lowest wage.

The best, most modern and most forward-looking companies “get it”, whether it is Google or Microsoft. Andrew Witty, the chief executive of GlaxoSmithKline, said in the papers at the weekend:

“I really believe one of the reasons we’ve seen an erosion of trust...in big companies is they’ve allowed themselves to be seen as being detached from society and they will float in and out of societies according to what the tax regime is...isn’t it better to be in a country and say ‘let’s try and work through the difficult times and get to the good times?’”

That is the kind of company that we need—one that is dedicated to this country and recognises the value of its workers. The Co-operative bank has increased its dividend payments by 16%, and it has had a 38% increase in the number of current accounts and 140,000 extra customers. That is because it operates ethically. It did not take the high risks that many other banks took, and therefore it has a sense of trust and reliability. That is the kind of new industry that we need.

The new model for successful industry is to embed companies in the UK. We should not close our borders through protectionism, but want them to come here and stay here, creating the conditions for growth and—dare I say it—a true sense of corporate social responsibility, not a bit of charity at the end of the year. That will not be achieved by limiting rights to request flexible working or limiting maternity and paternity leave. That flies in the face of a proper joint enterprise. This is a moment

when we should take a step back and realise the damage that has been done to our economy and to our people primarily by the actions of greedy, risk-taking banks selling loans that could never have been repaid. Let us say, “Never again.” We want a responsible capitalism that recognises the interdependence of those who finance the wealth and those who produce it.

The future looks very bleak for many people in Salford and Eccles who have little or no shelter from the storms that are heading their way—people without savings who struggle to pay the rent and have an insecure job, and hundreds of thousands who have little hope of any job at all. The economic numbers are appalling, with unemployment going up, growth down and inflation up. I believe that this Government will live to regret the political choices that they have made with our economy.

8.37 pm

Charlie Elphicke (Dover) (Con): It is a real privilege, as ever, to follow the right hon. Member for Salford and Eccles (Hazel Blears), who spoke so movingly and who is prepared and brave enough to set out an alternative—something that her Front Benchers are not courageous and bold enough to do.

I want to deal with the issue of poverty and the least well-off, and what this Budget does for people who struggle and do not have a lot of money. The previous Government were like a game of two halves. First, when Tony Blair was in charge between 1997 and 2001, they were a responsible Government who were quite effective in many ways, particularly when it came to fighting poverty. However, after that period, as the former Prime Minister increasingly got his hands on the levers of our public finances and wider economic policy, things started to go wrong.

It is against that backdrop that I am particularly keen to see the measures in this Budget succeed. It is not good enough that the 60% median for child poverty—relative poverty—went from 3.6 million in 2004-05 to 3.9 million in 2008-09, or that the number of those in deeper poverty went from 2.3 million to 2.6 million in the same period. That rise was really disappointing considering that the previous Government had pledged to take positive action on that problem. The problem is not just with child poverty; it is wider than that. The figures for all individuals show that 13.4 million people were worse off than the 60% median in 2000-01, and that in 2008-09, that figure was stuck at 13.4 million. To me, that is a real disappointment.

In this afternoon’s debate in the Welfare Reform Public Bill Committee, I raised what has happened to those who are of working age and are in poverty. According to the relative poverty measures, in 2000-01 6.5 million such people were in relative poverty, and that had risen to 7.8 million people by 2008-09. The second half of the game of two halves that was the previous Government was not a ringing endorsement of how we look after the least well-off in our communities. As we all know, the rising inequality in that period between those in the bottom quintile and those in the top quintile was a great shame. Over the whole period, inequality rose. That is a great shame.

I therefore welcome the measures in the Budget that aim to make work pay. That is the key message that we need to send. We are taking 1.1 million people out of

tax altogether by increasing the personal allowance. We are helping and understanding by engaging in the issues of fuel duty and introducing the fair fuel stabiliser.

The most important measure is the universal credit. I am pleased to see from chart A.5 on page 78 of the Red Book that there is a clear plan that in 2012-13 the distribution will be such that the least well-off will be protected from expenditure decisions. I am pleased to see that the universal credit will make work pay. That is focused not on the middle classes who are on the fifth or sixth deciles, and who are frankly quite well off, relatively speaking, but on the least well-off, who are on the bottom two deciles. Too often under the previous Government, those people were sadly neglected. Those are the people who really need help and on whom we should focus. Those are the people for whom we should make work pay through incentives to enter work. What I particularly like about the universal credit, which is shown on pages 80 to 81 of the Red Book, is the real help for lone parents and first earners that was not there before. Those pages also show that the marginal withdrawal rate is under control, and that it will broadly incentivise work and make part-time work more possible and practical.

To conclude, I welcome the measures that should provide help on the issue of child poverty. The Budget measures are aimed at reducing child poverty by 50,000. That is really positive. I hope that as we come out of recession and out of the difficulties, things will start to improve for everyone across the board. However, we really need to look after the least well-off as best we can.

8.43 pm

Mr Michael Meacher (Oldham West and Royton) (Lab): The Government's main jibe at the Opposition throughout this debate has been, "What is the alternative to the cuts?" I will spell out what I think that alternative should be. Of course the deficit has to be brought down—we all agree on that—but slashing public expenditure by £80 billion in four years is probably the most risky and counter-productive way of doing that. The Chancellor has largely ignored the other three ways.

First, there are the proceeds of economic growth. The estimate of the independent Office for Budget Responsibility for growth over the next five years, albeit recently scaled down, has growth at 1.7% this year, 2.5% next year, then 2.9%, 2.9%, and 2.8%. That means that, on the Government's own estimates, there will be an increase in the national income of £185 billion. Governments always take about 40%. That means that there will be extra Government revenues over the next five years of £74 billion. That is half the current Government deficit of £146 billion, and nearly three quarters of the Government's estimated structural deficit of £109 billion. Therefore—on their own estimates, I repeat—the Government would halve the budget deficit in five years without making a single public expenditure cut. I am not against such cuts, and I think there should be some, but I am simply pointing out that there are alternative and far better ways of dealing with the problem.

The reason why the Government have chosen to focus obsessively on benefit and public expenditure cuts is not because they are economically necessary on the

scale that they say, but because of their overriding ideological objective of chopping back the welfare system and shrinking the state. That is what it is really about.

The second way to reduce the deficit is obviously through tax increases, but the Government have chosen to minimise that option and maximise the cuts option—the balance between the two is 77% and 23%. Thatcher never went beyond 50:50. The Chancellor has ostentatiously avoided any tax rises that might disturb the rich. The non-dom loophole has not been closed; it would bring in an extra £3 billion. The promised £2 billion to be saved in tax avoidance is really pretty small beer, given that even Her Majesty's Revenue and Customs admits that avoidance will cost £16 billion this year and most independent experts think that the figure will be £50 billion. The tripling of the Government's bank levy, which was recommended by the International Monetary Fund and would bring in another £6 billion, has simply been passed over.

Moreover, the Chancellor has simply turned his eyes away from any fiscal innovation that might produce a fairer Britain where all of us are in it together. A financial transaction tax at a modest rate of 0.05% would raise about £30 billion. An empty property tax would raise £5 billion, and a land value tax, which would be a great deal fairer than the council tax, which it could replace, would raise more than £30 billion. A minimum tax levy on high earners would put a cap on avoidance and raise more than £10 billion.

The Chancellor really ought to be less timid. The public want taxes that will hurt the rich, and particularly bankers. I do not think the Government realise that. Any permutation of the taxes that I have mentioned could raise at least £30 billion a year—probably rather more if the Chancellor chose, but of course he will not, because the Tory party gets half its funding from the bankers.

Then there is the third option for reducing the deficit, which is a jobs and growth strategy. The cost of putting a million people on the dole, which is what the Government are planning to do, is probably about £6 billion depending on the level of benefits involved. Instead of throwing a million people on the scrapheap, which will substantially worsen the deficit, the Government could invest in a million jobs to provide the social housing and transport infrastructure that are so desperately needed; to develop the green technologies that the green investment bank was supposed to fund if only the Government had not shrivelled its powers; to deal with the rising child protection case load; to train a more skilled work force; and to care for a growing ageing population, to mention just some of the service jobs that could be provided. There would be a significant net gain in deficit reduction for many reasons, not least because of instead of a million people being a drain on the Exchequer, they would contribute to it.

The real cause of the financial crash has not been addressed at all. It is astonishing that three years on, nothing has been done to address the massive flaws in the banking system's structure and its use of derivatives, bonuses, lending practices, offshoring and speculation. The Budget sets out £80 billion-worth of spending cuts that are not economically necessary on such a scale, will do lasting damage to the social fabric and do not deal with the real—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order.

8.49 pm

Mel Stride (Central Devon) (Con): I have listened to this debate with growing incredulity this afternoon and for some hours yesterday, as speaker after speaker on the Labour Benches has risen to deny that the last Government's profligacy could in any possible manner have had an effect on the economic situation that we now find ourselves in.

We need to remind ourselves that we have a £150 billion deficit, which, as my hon. Friend the Member for Spelthorne (Kwasi Kwarteng) pointed out, represents about 12% of GDP. Back in 1976, when another Labour Chancellor, Denis Healey, went cap in hand to the International Monetary Fund because we were bust, that figure was only 7%. Our economy has been completely and utterly out of balance. We spend £43 billion on interest alone, which is more than we spend on education, and more than we spend on defence, the Foreign Office and overseas aid combined. That is an absolute disgrace.

There is no doubt that the previous Government brought us to within a scintilla of being where Greece is. We would have been there, if we had had a credit downgrade and our interest rates had gone up. That is where we would have been headed if Labour had won the election.

The previous Government presided over a halving of the manufacturing sector in this country, a fall in our share of world trade, and an expansion of the gap in prosperity between the north and the south. We should take no lessons on economic management from Opposition Members.

I welcome the Budget, which is a Budget for growth and jobs, against a tough background. Nobody enjoys figures such as the 0.6% contraction in the last quarter, or the OBR's downgraded forecast of 1.7% growth for this year, but equally, nobody who looks at the previous Government's record can imagine that under Labour, those figures would be anything but worse.

Labour Members offer no constructive alternative. Instead, they offer opportunistic objections to every sensible suggestion by the Government about saving on expenditure. Every time an Opposition Member stands up and says, "No. We don't want this measure on tuition fees and we don't like moving from RPI to CPI in pensions," and so on, they are really saying, "We're going to increase expenditure, and we're going to increase either the deficit or taxation as a consequence." That opportunistic approach is at odds with their rhetoric of prudence, which is in turn at odds with the marchers' placards on Saturday calling for no cuts whatsoever. That did not stop the Leader of the Opposition strutting his stuff on the stage in Hyde park and trying to assume the mantle of Martin Luther King. He had the dreams, but he did not have the detail or the substance.

Tax for corporations will be reduced under this Government to 23%, which is 16 percentage points lower than the rate in the US. On the radio the morning after the Budget, Sir Martin Sorrell told us that WPP, the largest advertising agency in the world, would relocate to this country from Ireland. On that subject, even when suffering and having to go to the IMF, what is the one thing that Ireland holds on to and defends above all else? It is its low corporate taxation rate, which, at just 12.5%, has enabled that country to attract double the average level of EU inward investment. We need to bring taxes down.

I welcome the fact that small business taxes will be reduced to 20%, and that we will support entrepreneurship by doubling the enterprise allowance to £10 million, so that those who go out and create businesses and wealth for themselves are encouraged to do so. In the process, they employ people, generate wealth, and pay the taxes that pay for the front-line services that we all want protected.

I was astonished by what the right hon. Member for Holborn and St Pancras (Frank Dobson), who I am pleased to see is in his place, said. He regaled us with all the benefits of red tape and told us all about how regulation was such a marvellous thing. In the real world of business, not a single business person would ever say that. I have not heard one business person further that argument.

I welcome the fact that we will implement Lord Young's review in full, and that we will ensure that companies that employ fewer than 10 people and genuine start-ups will be exempt from domestic regulation. That is a step forward.

I also welcome the support that we are providing for the young. There will be 50,000 new apprenticeships, increasing to 250,000 over the period of this Parliament, and the work placement schemes—the 80,000 places that we heard about earlier. We will also double the number of university technology colleges from 12 to 24.

I am pleased that something was done on fuel, particularly for rural areas such as mine in Central Devon, and I am particularly pleased about the rise to 45p of the tax-deductible mileage allowance, which will help many voluntary organisations that rely on voluntary drivers. I also welcome the fact that the Budget is fair in raising the tax threshold, because it means that we will take more of the poorest hard-working people in our land out of tax altogether. That is the right and the decent thing to do. I shall conclude now—because I am aware that others wish to speak—by saying that this is a Budget for growth, it is a Budget that stands for enterprise, and it is a Budget to which Labour Members have no answer.

8.55 pm

Gemma Doyle (West Dunbartonshire) (Lab/Co-op): As we debate the Budget it is deeply disappointing, but not a bit surprising, that Labour's Members are once again forced to highlight the impact that the Government's approach is having in our communities. The Budget was more of the same. The Chancellor has confirmed that he will not alter his course, in spite of the pain it is causing to ordinary families. The Government's cuts are too deep and too fast, and they are hurting. In my West Dunbartonshire constituency the jobless total is at its highest for well over a decade, and the predictions are that many more people will lose their jobs.

Pensioners are feeling the pain of the VAT rise and now, thanks to the Budget, will be hit with another attack on their income, because the Government are doing what they promised they would not do and slashing the winter fuel payment. Shame on them. And let us not forget that pensioners will lose thousands of pounds through the Government's plan to link public sector pension rises permanently to the consumer prices index rather than the retail prices index. The Government say that that is necessary to reduce the deficit, but pensioners now, and those who will collect their pensions

in years to come, will continue to see the value of their pensions slashed long after the deficit has been paid off. That leads us to conclude that the changes are an ideological measure intended to make pensions much less generous.

The Government say that it is okay to cut public sector jobs because the private sector will fill the gap. Perhaps that will be achievable in some areas—I really hope it will—but in my constituency there are 35 unemployed people for every job vacancy. The Government's approach, therefore, is breathtakingly complacent and reckless as far as my constituency is concerned. The fact that in many parts of the country there are such high numbers of people out of work compared with the number of vacancies goes to show just how out of touch the Government are, if they think that the private sector will come to the rescue.

Furthermore, the Government's plans to equalise the state pension age earlier than previously planned and at a greatly accelerated rate means that hundreds of thousands of women in their mid-50s will lose thousands of pounds. This change is fundamentally unfair on women who have planned carefully for their retirement. It cannot be fair that with just seven years to prepare and plan, they find that they must work an extra two years before being able to draw a state pension. In contrast, men of a similar age have been given eight years' notice of a one year change. On Friday in Dumbarton I met a woman who said that she could not continue to meet the physical demands of her job for that extra time. What is the Government's response to such women? They are not arguing that the state pension age should not be equalised, and neither am I, but the Government are going about all this the wrong way.

The cuts will impact hard on vulnerable people. I support the basic principles of welfare reform—trying to simplify the benefits system and doing all we can to help people into work where they are able to work—but the Government are going too far. Imposing an arbitrary 20% cut to the bill for disability living allowance proves that the Government's approach is ill considered, and by publishing the Welfare Reform Bill before they have finished consulting, they cannot even pretend that they have taken into account the impact on the vulnerable people who will be affected by these changes. Scrapping the mobility component of DLA for people in residential care shows pure indifference to the needs of millions of people with disabilities who need vital support. It is an outrageously unfair cut that will leave many disabled people trapped in their homes. We had an intervention earlier from the Under-Secretary of State for Work and Pensions, the hon. Member for Basingstoke (Maria Miller), but we still have not cleared up the confusion on this issue. Earlier the Minister of State, Department for Work and Pensions, the hon. Member for Thornbury and Yate (Steve Webb), who is not in his place at the moment, said from a sedentary position, "Stop frightening disabled people." Let me be very clear with the Government Front-Bench team: it is their reforms that are frightening disabled people.

I have been contacted today by a number of individuals and charities that fear that the new work capability assessment will discriminate against many seriously sick and disabled benefits claimants, including, for example, blind people with guide dogs. The Government need to think again before rushing through any changes in that area.

The Government's cuts are fundamentally unfair and completely contradict the claims that we are "all in this together". They are driving up unemployment, cutting lifeline support for ordinary families and pensioners, and targeting women and vulnerable people. In response to a point made by the hon. Member for Mid Norfolk (George Freeman), let me say that public sector workers pay taxes too. It is ridiculous to suggest that they do not contribute to the economy of this country. Ordinary people are being forced to pay the price of the excesses of the bankers, while the banks themselves have been given a massive tax cut by the Government this year. The huge march in London at the weekend showed that the mainstream majority across the country want the Government to change course. Sadly, the Budget was just more of the same.

9 pm

Neil Carmichael (Stroud) (Con): It is a great honour to speak in this important debate. I am mindful of the contribution made by the right hon. Member for Oldham West and Royton (Mr Meacher), who talked about the importance of growth. He recognised that the economy would start growing soon and suggested that this would yield a considerable amount of additional money for us to spend. He is quite right, and I welcome that admission. However, he is completely wrong to think that growth will simply happen without our tackling the deficit. That is what we must do, which is why the Budget is essentially fiscally neutral: we have already set out plans lasting for four years that will deliver the outcomes that we need for growth. That is why the Budget is all about growth, and I want to focus on those important issues.

First, one reason why I was not marching in London on Saturday—although I would not have done it anyway—was that we were celebrating the Chancellor of the Exchequer's announcement of massive investment in infrastructure in my constituency, with the Stroud to Kemble redoubling. That kind of development really matters. My constituents are delighted to know that we will have a better way of getting to London. Businesses are already gearing up for more investment, and there is a general feeling that the scheme will lead to more prosperity. That stands in sharp contrast with, for example, the haphazard way in which the regional development agency attempted to promote growth in our area. Indeed, it was more likely to end up building houses than promoting factories. I welcome the fact that the Government have invested so wisely, and they are doing so elsewhere in the country too.

The second important thing is the announcement about the green investment bank, with £3 billion to start with. That is a great start, and is exactly the sort of investment that we need—certainly in my constituency, but across the board too. I look forward to the day when the green investment bank can start raising capital on its own. I understand why there is caution about that, but we have made an excellent start and the green investment bank will deliver some important things.

The third important thing—my right hon. Friend the Secretary of State mentioned this in his opening speech, and I will develop it—is giving people the opportunity to get to work. Once people are in work, we need to ensure that they benefit from appropriate training, which is why I welcome the emphasis on training and apprenticeships. For far too long under the Labour

[Neil Carmichael]

Government, we were effectively training people up to a standard that was good, but not good enough: it was just level 2, and we want level 3. We should learn a few lessons from Germany's export-led recovery, one of which is that good training matters. I therefore celebrate the Government's efforts to deliver really good training for our young people.

It is important to mention planning, too. We need a more flexible and collaborative planning system, involving those being planned for—home owners and local communities—businesses and local authorities. We should see more agreement at an earlier stage, so that things happen more smoothly. We do not want to see the kind of attitude that we have seen in the past, which at worst has involved planning by appeal—and, sometimes, not a huge amount getting done. I welcome those changes.

I also welcome the measures on fuel. I have had a lot of complaints from my constituents about the rising cost of fuel, and I understand them. We are in a rural area, and we have a large number of haulage firms. For them, the changes in taxation will be welcome. We must stick to a fiscally responsible approach to public expenditure, but we need growth, and we need to be active in promoting it. The right hon. Member for Oldham West and Royton was correct in saying that growth would go up, and that it would do so on the basis of investment, good training and a sensible taxation strategy.

9.5 pm

Alex Cunningham (Stockton North) (Lab): Like others, my speech will focus on people. The number of unemployed claimants in my constituency is now 3,812, which is 9.2%. In the north-east of England, despite the progress made over the past 12 years in diversifying our industrial and business base, we still have the highest rate of unemployment in the whole country, at 10.2%. Even more worrying is the fact that 23% of our 16 to 24-year-olds are out of work. It is against that backdrop that I want to speak today.

The worst of the cuts are yet to come. Thousands of public and private sector workers are set to lose their jobs, and the cuts are being front-loaded, leaving local authorities with no choice but to make quick savings by making staff redundant. My own very efficient local authority, Stockton borough council, is faced with having to make savings of £29 million over the next four years. The Chancellor is effectively throwing hundreds of thousands of people out of work, but he is passing the axe to the local authorities and leaving them to do the chopping.

Let us not forget that recent analysis published by the TUC found that there were almost 10 applicants for every vacancy in Labour-held constituencies. The figure in Tory constituencies was 4.5, and in Liberal Democrat areas, it was 6.1. That is because the cuts are hitting the poorest communities the hardest. Recent research into the impact of the cuts reveals that all but two of the 20 worst-hit councils are in the bottom 20% most deprived council areas in England. It cannot be fair that low and middle-income neighbourhoods should carry the heaviest burden because of the Government's choices.

We are told that there is no alternative, but there is a choice being made by the Government to cut far too fast. Under Labour, the economy was heading in the

right direction. It was growing at 1.2% when Labour left office. In the last quarter of 2010, however, it had shrunk by 0.6%. So, under this Tory-led Government, growth has gone down last year and this year, and it will go down next year. The Chancellor blames the poor economic performance on the wrong type of snow, yet Germany and the US suffered from similar Arctic conditions last winter and their growth figures are not so grim.

Inflation is up, and unemployment is up. It is becoming increasingly clear that the Tory-led Government's plan for the economy is, yes, hurting but not working. Yet we are repeatedly told that there is no plan B. What we have instead is a real-life economic experiment, and the disgraceful thing is that it is completely politically motivated. The coalition hopes to get the worst of the pain out of the way before the next general election. What an irresponsible way to deal with our economy, and with people's jobs and lives.

What is the Government's response to this bleak outlook? We have had the announcement of the local enterprise partnerships, but with no money. The Budget announced 21 enterprise zones, including one in the Tees valley. I hope that both those projects flourish and create much-needed new jobs, but the reality is that their funding is a fraction of the funding that was available for regional growth through the now abolished regional development agencies.

What are the Government doing to address the fact that almost 1 million 16 to 24-year-olds are out of work today, the vast majority of whom are desperate for a job to kick-start their adult lives? The budget announced just 40,000 two-month work experience placements a year, and an extra 12,500 apprenticeships a year. That will not deal with the tip of the iceberg. I fear that there will be a lost generation, which will cost this country a great deal, economically and socially, in the years to come if we do not tackle the problem head on. The Government's Work programme also gives me cause for concern. Every person who receives incapacity benefits is to get a medical reassessment, and huge numbers face being moved on to the jobseeker's allowance, losing a third of their payments, if they are found to be fit enough to work. Many of them might not be.

As a member of the Work and Pensions Select Committee, I recently visited Burnley, where we spoke to people who had been part of a pilot for these assessments, and some of the stories we heard were very worrying. The test has been severely criticised by groups such as Citizens Advice and some argue that it is not fit for purpose. I look forward to the Committee's further inquiry into that matter.

Clearly, the proof will be in the pudding, but even if these people are moved on to jobseeker's allowance and are able to get the comprehensive support they will need to make them job-ready, they then face finding work in a tough environment, competing against people who might recently have been made redundant and against all those young people for fewer and fewer jobs. This will be tough enough in Tory constituencies, never mind those like my own in Stockton North and throughout the north-east. The Government need to think again about providing realistic incentives to create jobs and help people back to work, while still protecting the most vulnerable.

The real spending cuts are only just starting to hit people. My real fear is that we are facing a jobless recovery. This would be a disaster for Teesside and the north-east, which, as I have already said, suffers from the highest unemployment rate in the whole country. The Government must do much better.

9.11 pm

Priti Patel (Witham) (Con): I am delighted to contribute to what has been a quite well-subscribed Budget debate, particularly because this Budget outlines how Britain can earn its way in the modern world. It is a Budget that seeks to reform the country's economy and regain the ground that Britain has lost in the world economy.

Ministers on the Treasury Bench should be congratulated on bringing forward a package of measures that, against the backdrop of the most corrosive structural deficit on record, will provide practical and lasting measures to support hard-pressed families and people back into work, to help businesses grow and to stimulate long-term economic growth.

At the heart of this Budget is a clear message to make Britain a better place in which to do business. From the biggest multinational companies to the newsagents, convenience stores and beauty salons on all our high streets, which all employ our constituents, the Budget has recognised the insurmountable burdens that they have faced year on year with an unequivocal aim to give business the long boost that it needs to invest in jobs and grow in Britain. With the Government now accounting for half of our economy, we need a new economic model underpinned by investment, manufacturing and exports.

In my view, this Budget has kick-started the reform with an essential tax cut to business, rate relief for small firms, a doubling of entrepreneurs' relief and more support for research and development. There are now clear plans to scrap the burdens of regulation that have cost business billions every year. It is absolutely right that we have brought in a moratorium on all new regulations for our smallest companies. I put out a challenge to the Treasury Bench right now: the Government should host a bonfire of the excessive regulations, including many of the gold-plated regulations emanating from Europe as well as those that hinder employment opportunities and stifle enterprise and opportunity across our country.

In the Witham constituency, more than 82% of jobs are in small and medium-sized businesses. That equates to more than 25,000 local people and their families who are dependent on the prosperity of thousands of businesses in high streets, town centres, industrial estates and in the rural communities. The recession has hit them all really badly, but many have survived through their own dogged determination, and it is the inherently Conservative policies of the Budget that provide the light at the end of the tunnel for them.

I know that businesses in my constituency will relish the additional opportunities to tap into the new apprenticeship schemes that are coming on board. With more than two thirds of all apprenticeships in small firms, I can assure this House that businesses throughout Witham and Essex are ready to respond to the Chancellor's call to action and to take on more new apprenticeships. Young people are looking for work and by creating these apprenticeships and the right conditions for growth, local jobs will certainly be created.

Finally, Labour has left the British economy unbalanced, with far too much reliance on debt, household borrowing and the City of London and far too little emphasis on manufacturing, exports and balanced growth across the country. The creation of the new enterprise zones will, in my view, drive growth and new jobs everywhere. I have to say that I am tremendously disappointed at the negativity coming from Labour Members about the enterprise zones. If they do not want them in their constituencies, I can tell them that the county of Essex will welcome them with open arms.

The new zones will be targeted at areas with high growth potential, and the House may be not be surprised to learn that I know of one such area. Essex—including my constituency—would benefit from an enterprise zone, because it is a county of entrepreneurs. We not only work hard but save, and we have real drive, entrepreneurial spirit and flair. Our county consists of both urban and rural communities. Surely the point of enterprise zones is that while we should not focus disproportionately on urban centres, we should recognise that the urban parts of our communities offer much in terms of innovation and employment opportunities. There is a significant skills base that we must tap into. My constituency contains businesses ranging from window and glass makers to chocolate and jam makers to high-tech sat-nav companies.

I commend the Budget, which is not just good for jobs and growth but good for my constituency.

9.16 pm

Glenda Jackson (Hampstead and Kilburn) (Lab): I must tell the hon. Member for Witham (Priti Patel) that her speech was a bit like "all our yesterdays". The one thing that she did not seem to think would create jobs in this country was slashing the national minimum wage, and I was surprised that she did not suggest that.

Today's debate opened with one of the most lamentable speeches that I have ever heard the Secretary of State for Work and Pensions deliver, in which he presented—as have other Government Members—the rosy view that the Government's proposals will automatically create jobs, that there will be people who will be qualified to fill them, and that the future will be golden. If we look at the Red Book, which Government Members have waved in our faces on many occasions, we see that what the Government are setting in train is a Budget that will create a vast increase in unemployment. Unless they intend to abolish the whole benefits system at a stroke, an astronomical amount will have to be spent on unemployment benefit and passported benefits—although, of course, they may wipe all those out as well.

Government Members have the audacity to accuse us of frightening some of the most vulnerable people in our society, but it is not us who are frightening them. In my constituency and in those of Government Members, it is the Government who seem to look at nothing but the bottom line. It is they who introduce swingeing policies which, nine times out of 10, do not mesh, and the Secretary of State responsible for delivering those policies does not know what impact they will have on the ground.

A precise example from today's debate was what I understand to have been the initial proposal from the Department for Work and Pensions in regard to jobseeker's

[Glenda Jackson]

allowance and housing benefit. It was proposed that 10% should automatically be slashed from the housing benefit of anyone who had failed to find a job after 12 months on jobseeker's allowance despite doing everything demanded by the Government—and that is housing benefit which is being capped.

It is to his shame that, in his opening speech, the Secretary of State ran again with a canard that he is on record as saying he hoped would not be fulfilled: that the majority—he did not use the word “majority”, but it was implied—of people on housing benefit are living in properties where the rent is £100,000 a week. Everyone in the House, and certainly the Secretary of State, ought to know that the majority of people claiming housing benefit are pensioners, people with disabilities, or people on very low pay.

Many hard-working families in this country are entirely dependent on housing benefit. Nowhere is that more marked than in constituencies such as mine in central London, where housing, travel and training costs are vastly above the national average. However, nothing in the Budget appears to acknowledge regional variations, which will of course affect the potential for people to find jobs even if the private sector is capable of providing them.

Another remarkable feature of many speeches from Government Members was their contempt for public sector workers. It seemed that none of them wanted additional nurses in their hospitals, additional doctors in their surgeries, or additional teachers in their schools. Certainly we know that they do not want more policemen, because their numbers are being slashed all over the country, as will be the very people on whom the most vulnerable in our society depend.

That, of course, is the other great canard. This Government came into office saying that they would take tough decisions. They said the road was bumpy, but that they would protect the most vulnerable. They have betrayed the most vulnerable, however—the very young, the very old, people with disabilities. Women are a marked target for this Government. We women are clearly expected to have the broadest shoulders in the country because the cuts will fall on us. The Government are expecting women to go back to work—if there is a job to go to, of course—while at the same time taking away child care support, which is the absolute bedrock that enables a woman with children to go back to work.

The Government have markedly failed to think through their grievous policies. This is not a Budget for investment or growth. Rather, this is the Budget of a group of people who have markedly failed to understand the realities of the situation facing millions of people in this country who do want to work, who wish to take this country forward, and who have optimism and believe in all of us. The people who do not believe in the people of this country, or indeed in this country itself, are the Conservatives.

Stephen Lloyd rose—

Mr Deputy Speaker (Mr Lindsay Hoyle): One more Member wishes to speak, but unfortunately I cannot call him. I apologise for that. The Chancellor has also sent an apology, as he has been called away to the G20.

9.21 pm

Ms Angela Eagle (Wallasey) (Lab): I am gutted that the Chancellor is not present to listen to the winding-up speeches on his Budget.

In the Budget, the Chancellor had the opportunity to help millions of British people and families who are being hit hard by the biggest squeeze in their living standards for 80 years. He also had the opportunity to admit that ploughing full-steam ahead with cuts at the speed and on the scale that this Government have planned is about to have a devastating impact on people and communities up and down the country. People wanted some hope for the future from this Chancellor and this Government, but what they got was a Chancellor and a Government on autopilot. They got a man who refuses to see that the economic storm clouds are gathering around us once more; they got a man who will not admit that his cynical electoral strategy of scaremongering about a sovereign default has collapsed consumer confidence and weakened our prospects of recovery; and they got a man who has been so boxed in by his own political strategy that his only resort is to glory in the folly of sticking to his plan A, even if all the economic indicators show that it is hurting but it is not working.

Of course we accept that the deficit has to be reduced, but we disagree with the sheer speed and scale of the Government's cuts plan. In the Chancellor's self-styled emergency Budget last June, he embarked on a risky and extreme experiment with our nation's future. He chose to cut the deficit deeper and faster than was economically necessary; he chose to cut it faster than any other major economy; he chose to order the largest spending cuts since the second world war with a nasty ideological relish; and he was cheered to the rafters by Members of both coalition Government parties in a distasteful display of enjoyment that none of us on this side of the House will ever forget.

Some £80 billion is to be sucked out of the economy in the next four years, in cuts to services and the public sector. With tax rises included, £126 billion in all will be withdrawn from the economy by 2015. Only Iceland and Ireland are cutting faster than this Government have decided that we should cut, and now the Chancellor is claiming, with his usual modesty, that he has rescued the British economy, but aside from his own vainglorious rhetoric, what are the facts actually telling us? The truth is revealed by the Office for Budget Responsibility: there has been a significant deterioration in economic performance since the Chancellor's slash-and-burn Budget last year. As its latest forecast demonstrates, things are getting worse, not better, and that is before most of the cuts have really begun to bite.

After just 10 months of the Chancellor's fiscal masochism, virtually all the important economic indicators are now moving in the wrong direction. Consumer confidence is at a 20-year low; inflation is at more than twice the Bank of England's target; the VAT rise has pushed prices up, and the OBR expects them to rise even further this year; unemployment, which was falling last year, is now at a 17-year high—in my constituency, 22 people are now chasing every job; and the growth forecast has been downgraded again and again and again.

Because of this lower growth and higher inflation, the Government have admitted that they will have to borrow £46 billion more than they planned in November.

We warned the Chancellor that huge and rapid cuts in public expenditure risk choking off growth, thereby increasing unemployment, and that that might make the deficit worse rather than better. Last March—conveniently before the election—the right hon. Member for Twickenham (Vince Cable), now the Business Secretary, said:

"We must not cut Government spending too soon and risk plunging a fragile recovery back into recession. Cuts without economic growth will not deal with the deficit".

I could not agree more. It is a pity that he, like the rest of his party, is now supporting an economic policy which is the exact opposite of the one that he campaigned for.

We warned the Chancellor last year that he needed a growth strategy, alongside any deficit reduction plan, if the economy was to be restored to balance without doing untold damage to our social infrastructure. We waited and waited, but meanwhile growth faltered and then stalled. The economy shrank by a shock 0.5% in the last quarter of 2010. The Chancellor crossed his fingers and blamed the snow, and the Government's spin machine then cranked into action. Just two weeks ago, at the Tory spring conference, the Prime Minister and the Chancellor promised to make this a pro-growth Budget. The Chancellor said that it was going to be "unashamedly pro-growth" and the Prime Minister went further, by declaring that it was going to

"tear down the barriers to enterprise and be the most pro-growth Budget this country has seen for a generation."

If we look behind all the Government hype and the propaganda, and check out what really happened last week, we see something a bit different. The Chancellor actually came to this House and downgraded the growth forecasts—they are down this year to 1.7% and down next year too. Far from being a pro-growth Budget, this is actually a no-growth Budget which puts Britain into the slow lane. To distract attention from that inconvenient fact, the Government published, alongside the Budget document, "The Plan for Growth", a self-styled "urgent call for action". But this much-trailed growth plan achieves nothing in the short term, when growth is in such short supply. It consists of loud invocations of motherhood and apple pie, and it rehashes the familiar laissez-faire mantras shared by the Orange Book Liberals and the Thatcherite Tories. It is nothing more than a mish-mash of reheated, failed 1980s Thatcherite orthodoxy.

The passages on the Government's growth strategy in the Chancellor's speech were so riveting that the Justice Secretary actually fell asleep on the Front Bench right in the middle of them. We sympathised with him, but the 50 punters who had put money on at odds of 16:1 that he would sleep during the Budget were richly rewarded. Now I hear that Ladbrokes has slashed the odds that there will be a double kip from him some time in the next year.

The Office for Budget Responsibility was almost as unimpressed as the Justice Secretary, because page 39 of its report on the Budget states:

"we judge there is insufficient evidence at this stage to adjust our trend growth assumptions in light of these measures."

In other words, despite all the ministerial proclamations, all the Government propaganda and all the cynically pre-arranged third-party endorsements, this is still a no-growth, go-slow Budget.

The Chancellor's extreme austerity programme will suck demand out of the economy, and if growth continues to falter the plan will be irrelevant. We know that inflation is higher than it should be and unemployment is higher than it should be: there will be 30,000 fewer jobs this year and 80,000 fewer next year, and 200,000 more people will be unemployed by the end of this Parliament. I do not know what the Secretary of State for Work and Pensions finds so amusing about that.

Two weeks ago, at the same Tory conference where the Chancellor promised to make his Budget unashamedly pro-growth, he also promised to listen to public concern about the cost-of-living crisis. It is all very well listening, but it is real help that people need. Instead, we got a Budget in which the Chancellor gave a little with one hand but took away much more with the other. The well-trailed £45 tax cut next year is more than clawed back by the decision to raise national insurance thresholds only by the lower consumer prices index. That is a small-print stealth tax that, funnily enough, was not briefed in advance to the press but will raise more than £1 billion extra in income tax by 2015. The VAT rise is already costing a family with children an extra £450 this year alone. The banks have been given a tax cut while families and children bear the brunt of the spending cuts. Even the Chancellor has almost stopped claiming that we are all in this together and he can hardly keep a straight face when he does.

Pensioners were excluded from the tax cut con, only to discover that their winter fuel payment will be lower, too, by £50 or £100. The Treasury explained that that was not actually a cut but merely allowing a top-up to expire, but it seems that no one had told the Deputy Prime Minister that. He clearly had not even bothered to read the Budget that he had just signed off, because during a radio phone-in last Thursday he was questioned about this and claimed at first that winter fuel payments had been increased. He then resorted to accusing my right hon. Friend the shadow Chancellor of frightening people by

"throwing around a lot of...wild allegations".

The trouble for him was that those wild allegations were actually part of his Government's plans and, worse still, he had agreed to them. We all know that he will not accept any paperwork after 3 o'clock in the afternoon, but I really think he ought to have made an exception for the Budget. He should really learn that the pesky details in big documents can sometimes be quite important.

The headline-grabbing centrepiece of the Budget was the 1p off petrol duty announced with a great flourish and much waving of Order Papers on the Government Benches, but that is a paltry reduction when compared with the 3p a litre increase that the VAT rise has already added to fuel bills. I wonder how many Members of the parties opposite would have cheered quite so loudly if they had read the small print and understood that the Chancellor has merely delayed and not cancelled future fuel duty increases. Duty is due to rise by 3p a litre on 1 January and to rise again in August next year. VAT at 20% will only make it worse.

There is also mounting evidence that the fuel duty cut has not been fully passed on to motorists, despite the Chancellor's pledge to watch "like a hawk" to see that it was.

Dame Anne Begg (Aberdeen South) (Lab): What does my hon. Friend make of today's announcement that Statoil, a Norwegian company—from a country where tax is not exactly low—is to put on hold its £3 billion-plus North sea development as a result of the Budget increase in oil and gas tax?

Ms Eagle: This smash-and-grab raid on the oil companies to pay for the tax cut appears to be unravelling. Certainly, sudden changes to tax regimes without notice have big implications for investment. The Government need to pay particular attention to what the oil companies are saying, especially about their investment intentions. Having a North sea oil regime that can switch and is not set, because of the \$75 a barrel oil price, which is going to change the regime again, may be particularly damaging. We will have to take a close look in Committee at how the Government intend to implement this mechanism.

Dame Anne Begg: The offshore oil and gas industry, which was a growing industry and could have been the driver that took the country out of recession, tells me that the one thing it needs to invest in this country is stability, but the fuel duty stabiliser will not give it that stability. Indeed, it will do the very opposite and make things even more volatile.

Ms Eagle: My hon. Friend makes a very important point. We will have to look at precisely how the stabiliser mechanism will work. How long will the oil price have to be at \$75 a barrel to trigger it and how will that be measured? What will be the implication for future investment decisions? We know that there is a great deal of competition in the oil and gas industry for the use of very expensive infrastructure. My hon. Friend has made very important points and we will be watching like a hawk—to use a phrase that has already been used—to see about the practicalities of the announcement.

I note that the Government are reportedly urgently considering handing out hundreds of millions of pounds in tax breaks to compensate energy companies that are apparently considering shelving existing plans for further investment in UK gas fields or raising domestic prices still further to make up for profits lost. By

"squeezing the maximum amount of tax revenue from Britain's oil and gas assets,"

the Chancellor

"is putting further offshore investment at risk... He's more interested in cash today than investment tomorrow."

That was the current Chancellor speaking in 2007, but now he is in Downing street he seems to be ignoring his own advice. The truth is that this policy was cobbled together at the last minute, the OBR did not have sight of it and now it is descending into chaos. I must issue a warning to the Chief Secretary to the Treasury, because I read over the weekend that he is being blamed for this incompetent piece of policy making on the hoof—apparently it was all his idea. I would be watching my back if I were him. We now see the reality that the fuel duty cut was a classic Tory con that really will not help anyone at all.

Meanwhile, the small print of the Tory-Lib Dem Budget shows that the NHS will be hit with a £1 billion cut in real terms, breaking the Prime Minister's pre-election poster pledge that he would not cut it. The OBR's new inflation forecasts reveal that spending on the NHS will

fall for the next two years for the first time since records began—that is before the Government waste billions more on a reorganisation that nobody wants. The Tories drained the life out of the NHS in the 1980s and now they are back and are trying to do it all over again.

We were told that the Budget was all about growth and the Government promised to help Britain's hard-pressed families with the cost-of-living crisis, but they have failed dismally on both counts and today the Bullingdon boys have sent along a Lib Dem whipping boy to defend it. If the Chancellor has "Je ne regrette rien" playing on his iPod, then the Chief Secretary has "Puppet on a String" playing on his. Just last year he promised his party's Scottish conference:

"In our first year in government, we will invest to create new jobs and boost the recovery."

Well, 10 months later and two Budgets in he has done precisely the opposite. The fact is that this Government's extreme experiment with the British economy is failing and British people are suffering.

This Budget was a dodgy Conservative con that was signed off by the ever-compliant Liberal Democrats—the human shields of British politics. Far from making life easier for people, the Budget will make life tougher. The Government's agenda of cuts, cuts, cuts is ruining lives and dividing the nation. It seeks to pit the private sector against the public sector, the young against the old, the north against the south, the weak against the strong, and the rich against the poor. We reject the politics of division. This is the wrong Budget in tough times. The Government should come back and have a second attempt which does not cut too far, too fast. That is why we will vote to reject the Budget tonight.

9.40 pm

The Chief Secretary to the Treasury (Danny Alexander): There has been a good debate today and over the past four days. Today the debate was graced in particular by a contribution from the right hon. Member for Edinburgh South West (Mr Darling), the former Chancellor, who addressed the topic of business confidence and gave the House the benefit of his experience of issues in the world economy. He might have noticed that figures today show that business confidence is rising, but it was good to hear from him in the debate, and also from the right hon. Member for Birkenhead (Mr Field) who, among many other hon. Members, made the point that it was important to hear from the Opposition what they would cut.

This year's Budget is about reforming the nation's economy so that we have sustainable growth and jobs in the future. As many hon. Members observed in the debate, none of this would be possible without the difficult decisions that we have already had to take to tackle the enormous budget deficit that we inherited—decisions that have secured our international credit rating and been praised by the OECD, the International Monetary Fund and the World Bank; decisions that have provided the firm platform that we need to build a strong, sustainable and balanced economy; and decisions that have brought about economic stability and confidence in Britain's ability to pay its way in the world. That stability and confidence would be forfeit if we stepped back from our plan, as some have suggested. To do so would cost jobs and growth and would mean more cuts for more people for longer in the future.

The action that the Government have taken is allowing us to move from rescue to recovery, from a decade of unbalanced, unsustainable policy to the hard road back to prosperity, for this Budget confronts the problems that our predecessors chose to ignore. For the past decade Britain has been losing ground in the world's economy. While other nations have reduced their business tax rates, ours have increased. While other countries have removed barriers to enterprise, ours have grown higher still. While our competitors have improved their education systems, reformed welfare and increased exports, we have had to endure the opposite. That is the legacy of the Labour Government.

That is why, in the Budget, we have set out the Government's new vision for growth—a vision that has four key ambitions at its heart. First, Britain should have the most competitive tax system in the G20. Secondly, Britain should be the best place in Europe to start, finance and grow a business. Thirdly, Britain should be a more balanced economy by encouraging exports—

Geraint Davies: If the right hon. Gentleman is creating an environment for inward investment and enterprise, how does he explain the fact that when I spoke in Dusseldorf to UK Trade & Investment, which markets Britain abroad, it said that it was generating lots of leads for inward investment, but because the Government had abolished the RDAs, those were not being drawn down and all that inward investment was going elsewhere? Is that not a pathetic indictment of the Government's failure to generate growth?

Danny Alexander: I am grateful for that intervention, but I disagree with the point that the hon. Gentleman makes.

Chris Ruane rose—

Danny Alexander: Let me answer the intervention before I give way again. We have abolished the regional development agencies, which were bureaucratic and inflexible, and we have replaced them with a localised, bottom-up process of local enterprise partnerships that are making a real difference in our economy.

Chris Ruane: I thank the Chief Secretary for giving way. Has he read the article in *The Guardian* today, which reports that the UK has slipped from third position to 13th in the whole world on green renewable energy technology under the Tory-Liberal Democrat Government?

Danny Alexander: I am afraid I have not read *The Guardian* today. I will turn to green issues later in my speech. I disagree with that assessment, although of course the hon. Gentleman is quoting one of the very few organisations that backed his party's economic plans, if that is what they can be called.

The fourth objective of our growth strategy is to have a more educated work force who are the most flexible in Europe.

Let me turn first to creating a more competitive tax system. We used to have the third lowest corporation tax rate in Europe, but we now have the sixth highest, so from April this year corporation tax will be reduced not just by 1%, as we announced last June, but by 2%. It will continue to fall by 1% in each of the next three years, taking our corporate tax rate down to just 23% and giving us the lowest corporation tax rate in the G7.

Dame Anne Begg: Which oil and gas companies said that they would enjoy a lower tax take as a result of the Budget?

Danny Alexander: I will mention the oil and gas sector in the course of my speech, but it is worth observing at this point that, as a result of the very high oil price, oil and gas companies are expected to make £24 billion in profits over the next 12 months. Even with the tax changes that we have announced in the Budget, it is expected that they will make more profit per barrel of oil over the next five years than they did in the past five years, when the previous Government last changed the supplementary charge regime.

We are also creating a competitive tax system in relation to personal taxation. We have of course confirmed that the national insurance increase that the previous Government announced will have to go ahead at least partially, but because we have increased the threshold we are making it cheaper to employ people on incomes of less than £21,000 a year. Anyone earning less than £35,000 a year will, as of next week, be better off because of our £1,000 increase in the personal allowance that was announced in last year's Budget, the largest increase in the personal allowance in history. That means that in real terms 23 million taxpayers will be around £160 a year better off—£200 in cash terms.

The coalition agreement also commits the Government to real increases in the personal allowance in each and every year of this Parliament. It also sets us the goal that no one earning less than £10,000 a year will be caught in the income tax net. I am happy to be able to tell the House that the £630 increase in the personal allowance announced for next year puts us on track to meet that goal in this Parliament. This is about rewarding work.

We are also reforming the welfare system, and I know that a number of comments were made in the debate on the disability living allowance regime. The right hon. Member for Coatbridge, Chryston and Bellshill (Mr Clarke) should look at page 55 of the Red Book for the answer to his question.

Mr Tom Clarke: I welcome the fact that the right hon. Gentleman has referred to the important mobility component of disability living allowance. Earlier today I invited the Government to take the time available to tell us whether they intend to continue with their plan to abolish that element, which would mean that many people with disabilities living in residential accommodation—82,000 in all, including children—would lose out. What exactly is the Government's position?

Danny Alexander: As I was saying, the right hon. Gentleman should look at page 55 of the Red Book, which states:

"As announced by DWP at the introduction of the Welfare Reform Bill 2011, the Government will no longer remove the mobility component of DLA for people in residential care in October 2012. Mobility provision for people in residential care will be reviewed as part of the wider reform of DLA to be introduced from 2013-14."

That is a clear and sensible position.

Sheila Gilmore (Edinburgh East) (Lab): Will the right hon. Gentleman give way?

Danny Alexander: I am sorry, but I must press on and make some progress.

As well as a competitive tax system, we need a fair one, as the hon. Member for Central Devon (Mel Stride) observed in his speech, which is why we have responded to the concerns of hard-pressed motorists by cancelling Labour's fuel duty escalator for the remainder of this Parliament.

That is on top of announcing a fuel duty rebate for the most remote parts of the UK; it is on top of introducing a fair fuel stabiliser to share the burden of high international oil prices; it is on top of cutting fuel duty by 1p per litre, which is already feeding through to the prices at the pump; and it is on top of reversing Labour's planned 5p a litre in April. So, fuel will be 6p a litre cheaper than it would have been under the previous Government.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): When might the European Commission give the green light to the rural fuel derogation for the islands of Scotland, particularly as today in Benbecula diesel is £1.52 a litre?

Danny Alexander: The hon. Gentleman and I agree about the importance of that point. We have submitted the formal application to the European Commission, and I hope that, European processes willing—as he knows, they are not always entirely predictable—we will have that permission over the next few months.

The help that we are providing to motorists has to be paid for, and it is right that we ask the oil companies to pay a greater share of the extra profits that they are making from the high international oil price. Even with those changes, the profits on a barrel of oil are forecast, as I said, to be higher over the next five years than they were over the past five, so I say to the oil companies, “We do understand your concerns, and there is plenty for us to discuss with you, especially to support”—

Mr Tom Clarke: Will the right hon. Gentleman give way?

Danny Alexander: No, no. I am not going to give way. [HON. MEMBERS: “Give way!”] I am not going to give way. [HON. MEMBERS: “Give way!”] I am not going to give way.

I say to the oil companies, “There is plenty for us to discuss with you, especially to support new gas exploration through the regime of field allowances.” That is the right decision, it is fair—

Mr Tom Clarke: On a point of order, Mr Speaker. You will have heard the Minister refer me to page 44 of the Red Book, which I have now read. Is it in order for the Minister to refuse to allow me to respond?

Mr Speaker: It is.

Danny Alexander: The right hon. Gentleman misheard me; I referred to page 55.

It is the right decision—

Mr Tom Clarke: Will the right hon. Gentleman give way?

Danny Alexander: No, I am sorry; I am going to press on. I referred to page 55. I gave an answer to the right hon. Gentleman's question and I must press on. There is very little time left.

Hon. Members: Give way!

Mr Speaker: Order. The right hon. Member for Coatbridge, Chryston and Bellshill (Mr Clarke) is well able to look after himself, but it is for the Chief Secretary to decide whether or not to give way. He is not giving way at the moment.

Danny Alexander: Our second ambition is for Britain to become the best place in Europe to start, finance and grow a business, and in that area there is pressing need for reform. A number of hon. Members referred to enterprise zones, including the hon. Members for Newcastle upon Tyne North (Catherine McKinnell), for Stockton North (Alex Cunningham) and for Witham (Priti Patel). I say to them that we have learned from the experience of previous enterprise zones, where of course there was some success and some concerns. By working with all the local authorities in the local enterprise partnership areas, we hope to ensure that we learn some of the lessons to which those hon. Members referred.

On the long road to sustainable growth, we cannot ignore the problems that businesses are facing when it comes to accessing finance. Small businesses, in particular, have been the innocent victims—

Mr Tom Clarke: On a point of order, Mr Speaker. It is patently obvious that the right hon. Gentleman is having trouble finishing his speech. Would he allow me to answer the point that he asked me to—

Mr Speaker: Order. I am grateful to the right hon. Gentleman, but he has been in this House long enough to know that that is not a point of order. I think that it is a point of frustration.

Danny Alexander rose—

Mr Tom Clarke rose—

Danny Alexander: I am not going to give way to the right hon. Gentleman. I must press on. I have answered his point.

Small businesses, in particular, have been the innocent victims of the credit crunch. They have seen the flow of affordable credit dry up, which is why we have agreed with the banks a £10 billion increase in the availability of—

Ms Angela Eagle: Will the right hon. Gentleman give way?

Danny Alexander: I will give way to the hon. Lady.

Ms Eagle: Will the Chief Secretary turn his attention to page 44 of the Red Book, and the “Measures announced at Spending Review 2010”? Measure d states:

“Disability Living Allowance: remove mobility component for claimants in residential care.”

It is scored to save £155 million in 2013-14, £160 million in 2014-15 and £160 million in 2015-16, so how could the Prime Minister say that it was not happening when it is still scored in the Red Book?

Danny Alexander: As I said in answer to the right hon. Member for Coatbridge, Chryston and Bellshill (Mr Clarke), that question is a subject of the review that my right hon. Friend the Secretary of State for Work and Pensions has announced and we are carrying out. We have made it very clear that we are looking at that question, and we will provide the mobility component at a level that is necessary in care homes when we have removed the overlaps and the issues quite rightly identified.

The Government's third ambition for growth is to encourage investment in exports as a route to a more balanced economy. In "The Plan for Growth", which we published last week, we set out specific measures to help out a range of businesses. In life sciences, which the hon. Member for Macclesfield (David Rutley) mentioned, we will radically reduce the time it takes to get approval for clinical trials; in our digital and creative industries, we will improve the intellectual property regime; and in manufacturing, which the hon. Members for Wolverhampton North East (Emma Reynolds) and for Warrington South (David Mowat) addressed, we are launching Britain's first technology and innovation centre for high-value manufacturing, creating new export credits to help smaller businesses, doubling the limit on the capital allowances for short-life assets from four years to eight years and investing in infrastructure, which my hon. Friend the Member for Manchester, Withington (Mr Leech) referred to. These are some of the measures that we are taking to ensure that growth is more balanced and more sustainable, and supports employment across a wide range of sectors.

On green growth, first, we have announced that we will become the first country in the world to introduce a carbon price floor for the power sector. The price will start at around £16 per tonne of carbon dioxide in 2013 and move to a target price of £30 per tonne in 2020. That will provide the incentive for billions of pounds-worth of new investment in our dated energy infrastructure.

Ms Angela Eagle rose—

Danny Alexander: I will not give way.

The second step that we are taking is to create the green investment bank, as the hon. Member for Stroud (Neil Carmichael) mentioned. As part of the spending review we committed £1 billion to this new facility. Last week we announced £2 billion more, funded from asset sales and underwritten by the Treasury. This is another step to ensure that we are the greenest Government ever.

Ms Eagle rose—

Danny Alexander: I will not give way.

That leads me to our fourth ambition for growth—a better educated work force who are the most flexible in Europe.

Sheila Gilmore rose—

Hon. Members: Give way!

Danny Alexander: No, I am about to finish.

Listening to many of the contributions made by Opposition Members, it seems that they are living in a parallel universe in which deficit-denial constitutes a credible economic strategy. It is a place where Labour

economic plans involve cutting public spending, too, but where it is still perfectly logical to participate in an anti-cuts demonstration just as long as you never say where the cuts will fall—and we have not heard many suggestions on that point from the Government Front Bench. It is a place where Labour councils think that the responsible approach is to slash front-line services and sit on reserves just to score cheap political points. It is a place where an apology means saying—

Catherine McKinnell: On point of order, Mr Speaker. There appears to be a fundamental anomaly in this Budget, which hon. Members are expected to vote on—[*Interruption.*]

Mr Speaker: Order. If it is a point of order, let us hear it.

Catherine McKinnell: In one section of this Budget, Mr Speaker, it says that the disability living allowance mobility component will not be withdrawn, but another section—section d on page 55—clearly allows for that to happen. This is an anomaly that we are expected to vote on in three minutes.

Mr Speaker: That is a matter of debate, and it is for Ministers to decide whether and when to explain their position and in what way.

Danny Alexander: I have already explained this point in answers to interventions.

It is a measure of the Opposition's denial about the problems that they created in the British economy that they do not want to talk about the mess they made of it. They think that the responsibility for fuelling the biggest peacetime deficit in our history is a badge of achievement. They think an apology means saying that it is everyone else's fault. Labour Members had ample opportunity in this debate to show the British public that they had woken up to reality, but they failed on every count.

This Government are clearing up the mess that the last one left behind and putting Britain back on a path to sustainable, balanced growth. It is a hard road but it is the only one available. We will make Britain Europe's leading destination for enterprise with the most competitive tax system in the G20, the most flexible work force and an economy that is able to compete on the world stage. The Budget will create a more balanced economy. It gives support to hard-pressed families and hope to those looking for work, and it will create jobs across Britain. It is a Budget that stands firm on our plan for the recovery. It is good for business and good for growth. I commend this Budget to the House.

Question put.

The House divided: Ayes 327, Noes 250.

Division No. 237

[9.59 pm]

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard

Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Bebb, Guto
Beith, rh Sir Alan

Bellingham, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Collins, Damian
Colville, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C.
(Monmouth)
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael

Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth

Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, David
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark

Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles

Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Roger

Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Norman Lamb and
James Duddridge

NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Bleas, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Gordon
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex

Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Fiello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glendon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Harvard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Hermon, Lady
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hood, Mr Jim
Hopkins, Kelvin
Hosie, Stewart
Hunt, Tristram
Jackson, Glenda
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Eifryn
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacNeil, Mr Angus Brendan
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Mearns, Ian
Miliband, rh David
Miliband, rh Edward
Mitchell, Austin
Moon, Mrs Madeleine
Morris, Graeme (*Livingston*)
Morris, Graeme M.
(*Easington*)
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa

Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Ritchie, Ms Margaret
Robertson, Angus
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheridan, Jim
Shuker, Gavin
Simpson, David
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Watts, Mr Dave
Weir, Mr Mike
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Wilson, Sammy
Winnick, Mr David
Winterton, rh Ms Rosie
Wishart, Pete
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Mr David Anderson and
Lilian Greenwood

Question accordingly agreed to.

Resolved,

(1) That it is expedient to amend the law with respect to the National Debt and the public revenue and to make further provision in connection with finance.

(2) This Resolution does not extend to the making of any amendment with respect to value added tax so as to provide—

(a) for zero-rating or exempting a supply, acquisition or importation,

(b) for refunding an amount of tax,

(c) for any relief, other than a relief that—

(i) so far as it is applicable to goods, applies to goods of every description, and

(ii) so far as it is applicable to services, applies to services of every description.

The Speaker put forthwith the Questions necessary to dispose of the motions made in the name of the Chancellor of the Exchequer (Standing Order 51(3)).

2. INCOME TAX (CHARGE AND MAIN RATES)

Resolved,

That—

(1) Income tax is charged for the tax year 2011-12.

(2) For that tax year—

(a) the basic rate is 20%,

(b) the higher rate is 40%, and

(c) the additional rate is 50%.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

3. INCOME TAX (BASIC RATE LIMIT)

Resolved,

That—

(1) For the tax year 2011-12 the amount specified in section 10(5) of the Income Tax Act 2007 (basic rate limit) is replaced with "£35,000".

(2) Accordingly section 21 of that Act (indexation of limits), so far as relating to the basic rate limit, does not apply for that tax year.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

4. INCOME TAX (PERSONAL ALLOWANCE FOR THOSE AGED UNDER 65)

Resolved,

That—

(1) For the tax year 2011-12 the amount specified in section 35(1) of the Income Tax Act 2007 (personal allowance for those aged under 65) is replaced with "£7,475".

(2) Accordingly section 57 of that Act (indexation of allowances), so far as relating to the amount specified in section 35(1) of that Act, does not apply for that tax year.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

5. CORPORATION TAX (MAIN RATE FOR FINANCIAL YEAR 2011)

Resolved,

That—

(1) In section 2(2)(a) of the Finance Act 2010 (main corporation tax rate for financial year 2011 on profits other than ring fence profits), for "27%" substitute "26%".

(2) The amendment made by this Resolution comes into force on 1 April 2011.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

6. CORPORATION TAX (CHARGE AND MAIN RATE FOR FINANCIAL YEAR 2012)

Resolved,

That—

(1) Corporation tax is charged for the financial year 2012.

(2) For that year the rate of corporation tax is—

(a) 25% on profits of companies other than ring fence profits, and

(b) 30% on ring fence profits of companies.

(3) In paragraph (2) "ring fence profits" has the same meaning as in Part 8 of the Corporation Tax Act 2010 (see section 276 of that Act).

7. CORPORATION TAX (SMALL PROFITS RATE AND FRACTIONS FOR FINANCIAL YEAR 2011)

Resolved,

That—

(1) For the financial year 2011 the small profits rate is—

(a) 20% on profits of companies other than ring fence profits, and

(b) 19% on ring fence profits of companies.

(2) For the purposes of Part 3 of the Corporation Tax Act 2010, for that year—

(a) the standard fraction is 3/200ths, and

(b) the ring fence fraction is 11/400ths.

(3) In paragraph (1) "ring fence profits" has the same meaning as in Part 8 of that Act (see section 276 of that Act).

8. INCREASE IN RATE OF SUPPLEMENTARY CHARGE

Question put,

That—

(1) In section 330 of the Corporation Tax Act 2010 (supplementary charge in respect of ring fence trades), in subsection (1), for "20%" substitute "32%".

(2) The amendment made by paragraph (1) has effect in relation to accounting periods beginning on or after 24 March 2011 (but see also paragraph (3)).

(3) Paragraphs (4) to (9) apply where a company has an accounting period beginning before 24 March 2011 and ending on or after that date ("the straddling period").

(4) For the purpose of calculating the amount of the supplementary charge on the company for the straddling period—

(a) so much of that period as falls before 24 March 2011, and so much of that period as falls on or after that date, are treated as separate accounting periods, and

(b) the company's adjusted ring fence profits for the straddling period are apportioned to the two separate accounting periods in proportion to the number of days in those periods.

(5) The amount of the supplementary charge on the company for the straddling period is the sum of the amounts of supplementary charge that would, in accordance with paragraph (4), be chargeable on the company for those separate accounting periods.

(6) In relation to the straddling period—

(a) the Instalment Payments Regulations apply as if the amendment made by paragraph (1) had not been made, but

- (b) those Regulations also apply separately, in accordance with paragraph (7), in relation to the increase in the amount of any supplementary charge on the company for that period that arises as a result of that amendment.
- (7) In the separate application of those Regulations under paragraph (6)(b), those Regulations have effect as if, for the purposes of those Regulations—
- the straddling period were an accounting period beginning on 24 March 2011,
 - supplementary charge were chargeable on the company for that period, and
 - the amount of that charge were equal to the increase in the amount of the supplementary charge for the straddling period that arises as a result of the amendment made by paragraph (1).
- (8) Any reference in the Instalment Payment Regulations to the total liability of a company is, accordingly, to be read—
- in their application as a result of paragraph (6)(a), as a reference to the amount that would be the company's total liability for the straddling period if the amendment made by paragraph (1) had not been made, and
 - in their application as a result of paragraph (6)(b), as a reference to the amount of the supplementary charge on the company for the deemed accounting period under paragraph (7)(a).
- (9) For the purposes of the Instalment Payment Regulations—
- a company is to be regarded as a large company as respects the deemed accounting period under paragraph (7)(a) if (and only if) it is a large company for those purposes as respects the straddling period, and
 - any question whether a company is a large company as respects the straddling period is to be determined as it would have been determined if the amendment made by paragraph (1) had not been made.
- (10) In this Resolution—
- “adjusted ring fence profits” has the same meaning as in section 330 of the Corporation Tax Act 2010;
- “the Instalment Payments Regulations” means the Corporation Tax (Instalment Payments) Regulations 1998 (S.I. 1998/3175);
- “supplementary charge” means any sum chargeable under section 330(1) of the Corporation Tax Act 2010 as if it were an amount of corporation tax.
- And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

The House divided: Ayes 334, Noes 13.

Division No. 238]

[10.15 pm

AYES

Adams, Nigel	Beresford, Sir Paul
Afriyie, Adam	Berry, Jake
Aldous, Peter	Bingham, Andrew
Alexander, rh Danny	Birtwistle, Gordon
Amess, Mr David	Blackman, Bob
Andrew, Stuart	Blackwood, Nicola
Arbuthnot, rh Mr James	Blunt, Mr Crispin
Bacon, Mr Richard	Boles, Nick
Baker, Norman	Bone, Mr Peter
Baker, Steve	Bottomley, Sir Peter
Baldry, Tony	Bradley, Karen
Baldwin, Harriett	Brake, Tom
Barclay, Stephen	Bray, Angie
Baron, Mr John	Brazier, Mr Julian
Bebb, Guto	Bridgen, Andrew
Beith, rh Sir Alan	Brine, Mr Steve
Bellingham, Mr Henry	Brokenshire, James
Benyon, Richard	Brooke, Annette

Bruce, Fiona	Glen, John
Buckland, Mr Robert	Goldsmith, Zac
Burley, Mr Aidan	Goodwill, Mr Robert
Burns, Conor	Gove, rh Michael
Burrowes, Mr David	Graham, Richard
Burstow, Paul	Grant, Mrs Helen
Burt, Alistair	Gray, Mr James
Burt, Lorely	Grayling, rh Chris
Byles, Dan	Green, Damian
Cairns, Alun	Greening, Justine
Campbell, rh Sir Menzies	Grieve, rh Mr Dominic
Carmichael, rh Mr Alistair	Griffiths, Andrew
Carmichael, Neil	Gummer, Ben
Carswell, Mr Douglas	Gyimah, Mr Sam
Cash, Mr William	Halfon, Robert
Chishti, Rehman	Hames, Duncan
Clappison, Mr James	Hammond, rh Mr Philip
Clark, rh Greg	Hammond, Stephen
Clarke, rh Mr Kenneth	Hancock, Matthew
Clifton-Brown, Geoffrey	Hancock, Mr Mike
Collins, Damian	Hands, Greg
Colville, Oliver	Harper, Mr Mark
Cox, Mr Geoffrey	Harrington, Richard
Crockart, Mike	Harris, Rebecca
Crouch, Tracey	Hart, Simon
Davey, Mr Edward	Harvey, Nick
Davies, David T. C.	Haselhurst, rh Sir Alan
(Monmouth)	Hayes, Mr John
Davies, Glyn	Heald, Mr Oliver
Davies, Philip	Heath, Mr David
Davis, rh Mr David	Heaton-Harris, Chris
de Bois, Nick	Hemming, John
Dinenage, Caroline	Henderson, Gordon
Djanogly, Mr Jonathan	Herbert, rh Nick
Dodds, rh Mr Nigel	Herron, Lady
Donaldson, rh Mr Jeffrey M.	Hinds, Damian
Dorrell, rh Mr Stephen	Hoban, Mr Mark
Dorries, Nadine	Hollingbery, George
Doyle-Price, Jackie	Hollobone, Mr Philip
Drax, Richard	Holloway, Mr Adam
Duddridge, James	Hopkins, Kris
Duncan, rh Mr Alan	Horwood, Martin
Duncan Smith, rh Mr Iain	Howarth, Mr Gerald
Dunne, Mr Philip	Howell, John
Ellis, Michael	Hughes, rh Simon
Ellison, Jane	Huhne, rh Chris
Ellwood, Mr Tobias	Hunt, rh Mr Jeremy
Elphicke, Charlie	Huppert, Dr Julian
Eustice, George	Hurd, Mr Nick
Evans, Graham	Jackson, Mr Stewart
Evans, Jonathan	Javid, Sajid
Evennett, Mr David	Jenkin, Mr Bernard
Fabricant, Michael	Johnson, Gareth
Fallon, Michael	Johnson, Joseph
Farron, Tim	Jones, Andrew
Featherstone, Lynne	Jones, Mr David
Field, Mr Mark	Jones, Mr Marcus
Foster, rh Mr Don	Kelly, Chris
Fox, rh Dr Liam	Kennedy, rh Mr Charles
Francois, rh Mr Mark	Kirby, Simon
Freeman, George	Knight, rh Mr Greg
Freer, Mike	Kwarteng, Kwasi
Fullbrook, Lorraine	Laing, Mrs Eleanor
Fuller, Richard	Lamb, Norman
Gale, Mr Roger	Lancaster, Mark
Garnier, Mr Edward	Lansley, rh Mr Andrew
Garnier, Mark	Latham, Pauline
Gauke, Mr David	Laws, rh Mr David
George, Andrew	Leadsom, Andrea
Gibb, Mr Nick	Lee, Jessica
Gilbert, Stephen	Lee, Dr Phillip
Gillan, rh Mrs Cheryl	Leech, Mr John

Lefroy, Jeremy
 Leigh, Mr Edward
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, Dr Julian
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lloyd, Stephen
 Loughton, Tim
 Lucas, Caroline
 Luff, Peter
 Lumley, Karen
 Macleod, Mary
 Main, Mrs Anne
 Maude, rh Mr Francis
 May, rh Mrs Theresa
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McCrea, Dr William
 McLoughlin, rh Mr Patrick
 McPartland, Stephen
 McVey, Esther
 Menzies, Mark
 Mercer, Patrick
 Metcalfe, Stephen
 Miller, Maria
 Mills, Nigel
 Milton, Anne
 Mitchell, rh Mr Andrew
 Moore, rh Michael
 Mordaunt, Penny
 Morgan, Nicky
 Morris, David
 Mosley, Stephen
 Mowat, David
 Mulholland, Greg
 Mundell, rh David
 Munt, Tessa
 Murrison, Dr Andrew
 Neill, Robert
 Newmark, Mr Brooks
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Mr Matthew
 Ollerenshaw, Eric
 Opperman, Guy
 Ottaway, Richard
 Paice, rh Mr James
 Paisley, Ian
 Parish, Neil
 Patel, Priti
 Paterson, rh Mr Owen
 Pawsey, Mark
 Penning, Mike
 Penrose, John
 Percy, Andrew
 Perry, Claire
 Phillips, Stephen
 Pickles, rh Mr Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Prisk, Mr Mark
 Pritchard, Mark
 Raab, Mr Dominic
 Randall, rh Mr John
 Reckless, Mark
 Redwood, rh Mr John
 Rees-Mogg, Jacob

Reevell, Simon
 Reid, Mr Alan
 Rifkind, rh Sir Malcolm
 Robertson, Hugh
 Robertson, Mr Laurence
 Rogerson, Dan
 Rosindell, Andrew
 Rudd, Amber
 Ruffley, Mr David
 Russell, Bob
 Rutley, David
 Sanders, Mr Adrian
 Sandys, Laura
 Scott, Mr Lee
 Selous, Andrew
 Shannon, Jim
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simmonds, Mark
 Simpson, David
 Simpson, Mr Keith
 Skidmore, Chris
 Smith, Miss Chloe
 Smith, Henry
 Smith, Julian
 Soames, Nicholas
 Spelman, rh Mrs Caroline
 Spencer, Mr Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Bob
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Mr Graham
 Stunell, Andrew
 Sturdy, Julian
 Swales, Ian
 Swayne, Mr Desmond
 Swinson, Jo
 Syms, Mr Robert
 Tapsell, Sir Peter
 Teather, Sarah
 Thurso, John
 Timpson, Mr Edward
 Tomlinson, Justin
 Tredinnick, David
 Turner, Mr Andrew
 Tyrie, Mr Andrew
 Uppal, Paul
 Vaizey, Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Walter, Mr Robert
 Ward, Mr David
 Watkinson, Angela
 Weatherley, Mike
 Webb, Steve
 Wharton, James
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, Mr John
 Wiggins, Bill
 Williams, Mr Mark
 Williams, Roger

Williams, Stephen
 Williamson, Gavin
 Willott, Jenny
 Wilson, Mr Rob
 Wilson, Sammy
 Wollaston, Dr Sarah
 Wright, Jeremy

Wright, Simon
 Yeo, Mr Tim
 Young, rh Sir George
 Zahawi, Nadhim

Tellers for the Ayes:
 Mark Hunter and
 Stephen Crabb

NOES

Begg, Dame Anne
 Bruce, rh Malcolm
 Connarty, Michael
 Doran, Mr Frank
 Edwards, Jonathan
 Hosie, Stewart
 Llwyd, rh Mr Elyn
 MacNeil, Mr Angus Brendan

Robertson, Angus
 Smith, Sir Robert
 Weir, Mr Mike
 Whiteford, Dr Eilidh
 Wicks, rh Malcolm

Tellers for the Noes:
 Pete Wishart and
 Hywel Williams

Question accordingly agreed to.

9. CAPITAL ALLOWANCES

Question put,

That provision (including provision having retrospective effect) may be made about capital allowances.

The House divided: Ayes 333, Noes 236.

Division No. 239]

[10.28 pm

AYES

Adams, Nigel
 Afriyie, Adam
 Aldous, Peter
 Alexander, rh Danny
 Amess, Mr David
 Andrew, Stuart
 Arbuthnot, rh Mr James
 Bacon, Mr Richard
 Baker, Norman
 Baker, Steve
 Baldwin, Tony
 Baldwin, Harriett
 Barclay, Stephen
 Baron, Mr John
 Bebb, Guto
 Beith, rh Sir Alan
 Bellingham, Mr Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Bingham, Andrew
 Birtwistle, Gordon
 Blackman, Bob
 Blackwood, Nicola
 Blunt, Mr Crispin
 Boles, Nick
 Bone, Mr Peter
 Bottomley, Sir Peter
 Bradley, Karen
 Brake, Tom
 Bray, Angie
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Mr Steve
 Brokenshire, James
 Brooke, Annette
 Bruce, Fiona
 Bruce, rh Malcolm
 Buckland, Mr Robert

Burley, Mr Aidan
 Burns, Conor
 Burrowes, Mr David
 Burstow, Paul
 Burt, Alistair
 Burt, Lorely
 Byles, Dan
 Cairns, Alun
 Campbell, rh Sir Menzies
 Carmichael, rh Mr Alistair
 Carmichael, Neil
 Carswell, Mr Douglas
 Cash, Mr William
 Chishti, Rehman
 Clappison, Mr James
 Clark, rh Greg
 Clarke, rh Mr Kenneth
 Clifton-Brown, Geoffrey
 Collins, Damian
 Colville, Oliver
 Cox, Mr Geoffrey
 Crabb, Stephen
 Crockett, Mike
 Crouch, Tracey
 Davey, Mr Edward
 Davies, David T. C.
 (Monmouth)
 Davies, Glyn
 Davies, Philip
 de Bois, Nick
 Dinanage, Caroline
 Djanogly, Mr Jonathan
 Dodd, rh Mr Nigel
 Donaldson, rh Mr Jeffrey M.
 Dorrell, rh Mr Stephen
 Dorries, Nadine
 Doyle-Price, Jackie
 Drax, Richard
 Duncan, rh Mr Alan

Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hermon, Lady
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris

Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McCrea, Dr William
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, David
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murrison, Dr Andrew
Neill, Robert

Newmark, Mr Brooks
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Mr James
Paisley, Ian
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Shellbrooke, Alec
Simmonds, Mark
Simpson, David
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark

Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Norman Lamb and
James Duddridge

NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Austin, Iain
Bailey, Mr Adrian

Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe

Berger, Luciana
 Betts, Mr Clive
 Blackman-Woods, Roberta
 Blears, rh Hazel
 Blenkinsop, Tom
 Blomfield, Paul
 Blunkett, rh Mr David
 Bradshaw, rh Mr Ben
 Brennan, Kevin
 Brown, rh Mr Nicholas
 Brown, Mr Russell
 Bryant, Chris
 Buck, Ms Karen
 Burden, Richard
 Bumham, rh Andy
 Byrne, rh Mr Liam
 Campbell, Mr Alan
 Campbell, Mr Ronnie
 Caton, Martin
 Chapman, Mrs Jenny
 Clark, Katy
 Clarke, rh Mr Tom
 Clwyd, rh Ann
 Coaker, Vernon
 Coffey, Ann
 Connarty, Michael
 Cooper, Rosie
 Cooper, rh Yvette
 Corbyn, Jeremy
 Crausby, Mr David
 Creagh, Mary
 Creasy, Stella
 Cruddas, Jon
 Cryer, John
 Cunningham, Alex
 Cunningham, Mr Jim
 Cunningham, Tony
 Curran, Margaret
 Dakin, Nic
 Danczuk, Simon
 Darling, rh Mr Alistair
 David, Mr Wayne
 Davidson, Mr Ian
 Davies, Geraint
 De Piero, Gloria
 Denham, rh Mr John
 Dobbin, Jim
 Dobson, rh Frank
 Docherty, Thomas
 Donohoe, Mr Brian H.
 Doran, Mr Frank
 Dowd, Jim
 Doyle, Gemma
 Dromey, Jack
 Dugher, Michael
 Durkan, Mark
 Eagle, Ms Angela
 Eagle, Maria
 Edwards, Jonathan
 Efford, Clive
 Elliott, Julie
 Ellman, Mrs Louise
 Engel, Natascha
 Esterson, Bill
 Evans, Chris
 Farrelly, Paul
 Field, rh Mr Frank
 Fitzpatrick, Jim
 Ffello, Robert
 Flint, rh Caroline
 Flynn, Paul
 Fovargue, Yvonne
 Francis, Dr Hywel
 Gapes, Mike
 Gilmore, Sheila
 Glass, Pat
 Glendon, Mrs Mary
 Godsiff, Mr Roger
 Goggins, rh Paul
 Goodman, Helen
 Greatrex, Tom
 Green, Kate
 Greenwood, Lilian
 Griffith, Nia
 Gwynne, Andrew
 Hain, rh Mr Peter
 Hamilton, Mr David
 Hamilton, Fabian
 Hanson, rh Mr David
 Harman, rh Ms Harriet
 Harris, Mr Tom
 Havard, Mr Dai
 Healey, rh John
 Hendrick, Mark
 Hepburn, Mr Stephen
 Heyes, David
 Hillier, Meg
 Hilling, Julie
 Hodge, rh Margaret
 Hodgson, Mrs Sharon
 Hood, Mr Jim
 Hopkins, Kelvin
 Hosie, Stewart
 Hunt, Tristram
 Jamieson, Cathy
 Jarvis, Dan
 Johnson, rh Alan
 Johnson, Diana
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Jones, Susan Elan
 Joyce, Eric
 Keeley, Barbara
 Kendall, Liz
 Lammy, rh Mr David
 Lavery, Ian
 Lazarowicz, Mark
 Leslie, Chris
 Lewis, Mr Ivan
 Lloyd, Tony
 Llwyd, rh Mr Elyn
 Love, Mr Andrew
 Lucas, Ian
 MacNeil, Mr Angus Brendan
 Mactaggart, Fiona
 Mahmood, Shabana
 Mann, John
 McCabe, Steve
 McCann, Mr Michael
 McCarthy, Kerry
 McClymont, Gregg
 McDonagh, Siobhain
 McDonnell, Dr Alasdair
 McDonnell, John
 McFadden, rh Mr Pat
 McGovern, Alison
 McGovern, Jim
 McKechin, Ann
 McKinnell, Catherine
 Meacher, rh Mr Michael
 Mearns, Ian
 Miliband, rh David

Miliband, rh Edward
 Mitchell, Austin
 Moon, Mrs Madeleine
 Morrice, Graeme (Livingston)
 Morris, Grahame M.
 (Easington)
 Munn, Meg
 Murphy, rh Mr Jim
 Murphy, rh Paul
 Murray, Ian
 Nardy, Lisa
 Nash, Pamela
 O'Donnell, Fiona
 Onwurah, Chi
 Osborne, Sandra
 Owen, Albert
 Pearce, Teresa
 Perkins, Toby
 Phillipson, Bridget
 Pound, Stephen
 Qureshi, Yasmin
 Raynsford, rh Mr Nick
 Reed, Mr Jamie
 Reeves, Rachel
 Reynolds, Emma
 Reynolds, Jonathan
 Riordan, Mrs Linda
 Ritchie, Ms Margaret
 Robertson, Angus
 Robertson, John
 Robinson, Mr Geoffrey
 Rotheram, Steve
 Roy, Mr Frank
 Roy, Lindsay
 Ruane, Chris
 Sarwar, Anas
 Seabeck, Alison
 Sharma, Mr Virendra
 Sheridan, Jim
 Shuker, Gavin

Skinner, Mr Dennis
 Slaughter, Mr Andy
 Smith, rh Mr Andrew
 Smith, Angela
 Smith, Nick
 Smith, Owen
 Spellar, rh Mr John
 Straw, rh Mr Jack
 Stuart, Ms Gisela
 Sutcliffe, Mr Gerry
 Tami, Mark
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turner, Karl
 Twigg, Derek
 Twigg, Stephen
 Umunna, Mr Chuka
 Vaz, Valerie
 Walley, Joan
 Watson, Mr Tom
 Watts, Mr Dave
 Weir, Mr Mike
 Whiteford, Dr Eilidh
 Whitehead, Dr Alan
 Wicks, rh Malcolm
 Williams, Hywel
 Williamson, Chris
 Winnick, Mr David
 Winterton, rh Ms Rosie
 Wishart, Pete
 Wood, Mike
 Woodcock, John
 Wright, David
 Wright, Mr Iain

Tellers for the Noes:
 Mr David Anderson and
 Phil Wilson

Question accordingly agreed to.

10. ALCOHOLIC LIQUOR DUTIES (RATES)

Question put,

That—

(1) The Alcoholic Liquor Duties Act 1979 is amended as follows.

(2) In section 5 (rate of duty on spirits), for “£23.80” substitute “£25.52”.

(3) In section 36(1AA)(a) (standard rate of duty on beer), for “£17.32” substitute “£18.57”.

(4) In section 62(1A) (rates of duty on cider)—

(a) in paragraph (a) (rate of duty per hectolitre in the case of sparkling cider of a strength exceeding 5.5 per cent), for “£217.83” substitute “£233.55”;

(b) in paragraph (b) (rate of duty per hectolitre in the case of cider of a strength exceeding 7.5 per cent which is not sparkling cider), for “£50.22” substitute “£53.84”, and

(c) in paragraph (c) (rate of duty per hectolitre in any other case), for “£33.46” substitute “£35.87”.

(5) For the table in Schedule 1 substitute—

*"Table of Rates of Duty on Wine and Made-Wine
Part 1*

<i>Wine or Made-Wine of a Strength not Exceeding 22 per cent</i>	<i>Rates of duty per hectolitre</i>
<i>Description of wine or made-wine</i>	<i>£</i>
Wine or made-wine of a strength not exceeding 4 per cent	74.32
Wine or made-wine of a strength exceeding 4 per cent but not exceeding 5.5 per cent	102.21
Wine or made-wine of a strength exceeding 5.5 per cent but not exceeding 15 per cent and not being sparkling	241.23
Sparkling wine or sparkling made-wine of a strength exceeding 5.5 per cent but less than 8.5 per cent	233.55
Sparkling wine or sparkling made-wine of a strength of 8.5 per cent or of a strength exceeding 8.5 per cent but not exceeding 15 per cent	308.99
Wine or made-wine of a strength exceeding 15 per cent but not exceeding 22 per cent	321.61

Part 2

Wine or Made-Wine of a Strength Exceeding 22 per cent

<i>Description of Wine or Made-Wine</i>	<i>Rates of Duty per Litre of Alcohol in Wine or Made-Wine</i>
	<i>£</i>
Wine or made-wine of a strength exceeding 22 per cent	25.52"

(6) The amendments made by this Resolution come into force on 28 March 2011.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

The House divided: Ayes 330, Noes 9.

Division No. 240]

[10.41 pm

AYES

Adams, Nigel	Blunt, Mr Crispin
Alfryie, Adam	Botes, Nick
Aldous, Peter	Bone, Mr Peter
Alexander, rh Danny	Bottomley, Sir Peter
Amess, Mr David	Bradley, Karen
Andrew, Stuart	Bray, Angie
Arbuthnot, rh Mr James	Brazier, Mr Julian
Bacon, Mr Richard	Bridgen, Andrew
Baker, Norman	Brine, Mr Steve
Baker, Steve	Brokenshire, James
Baldry, Tony	Brooke, Annette
Baldwin, Harriett	Bruce, Fiona
Barclay, Stephen	Bruce, rh Malcolm
Baron, Mr John	Buckland, Mr Robert
Bebb, Guto	Burley, Mr Aidan
Beith, rh Sir Alan	Burns, Conor
Bellingham, Mr Henry	Burrows, Mr David
Bonyon, Richard	Burstow, Paul
Beresford, Sir Paul	Burt, Alistair
Berry, Jake	Bytes, Dan
Bingham, Andrew	Cairns, Alun
Binley, Mr Brian	Campbell, rh Sir Menzies
Birtwistle, Gordon	Carmichael, rh Mr Alistair
Blackman, Bob	Carmichael, Neil
Blackwood, Nicola	Carswell, Mr Douglas

Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Collins, Damian
Colville, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. (Monmouth)
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Durkan, Mark
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert

Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lep, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Loughton, Tim
Lucas, Caroline
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis

May, rh Mrs Theresa
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McCrear, Dr William
 McDonnell, Dr Alasdair
 McLoughlin, rh Mr Patrick
 McPartland, Stephen
 McVey, Esther
 Menzies, Mark
 Mercer, Patrick
 Melcalfe, Stephen
 Miller, Maria
 Mills, Nigel
 Milton, Anne
 Mitchell, rh Mr Andrew
 Moore, rh Michael
 Mordaunt, Penny
 Morgan, Nicky
 Morris, David
 Mosley, Stephen
 Mowat, David
 Mundell, rh David
 Munt, Tessa
 Murrison, Dr Andrew
 Neill, Robert
 Newmark, Mr Brooks
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Mr Matthew
 Ollershaw, Eric
 Opperman, Guy
 Ottaway, Richard
 Paice, rh Mr James
 Parish, Neil
 Patel, Priti
 Paterson, rh Mr Owen
 Pawsey, Mark
 Penning, Mike
 Penrose, John
 Percy, Andrew
 Perry, Claire
 Phillips, Stephen
 Pickles, rh Mr Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Prisk, Mr Mark
 Pritchard, Mark
 Raab, Mr Dominic
 Randall, rh Mr John
 Reckless, Mark
 Redwood, rh Mr John
 Rees-Mogg, Jacob
 Reeve, Simon
 Reid, Mr Alan
 Rifkind, rh Sir Malcolm
 Ritchie, Ms Margaret
 Robertson, Hugh
 Robertson, Mr Laurence
 Rogerson, Dan
 Rosindell, Andrew
 Rudd, Amber
 Ruffley, Mr David
 Russell, Bob
 Rutley, David
 Sanders, Mr Adrian
 Sandys, Laura
 Scott, Mr Lee
 Selous, Andrew
 Shannon, Jim

Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simmonds, Mark
 Simpson, David
 Simpson, Mr Keith
 Skidmore, Chris
 Smith, Miss Chloe
 Smith, Henry
 Smith, Julian
 Smith, Sir Robert
 Soames, Nicholas
 Spelman, rh Mrs Caroline
 Spencer, Mr Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Mr Graham
 Stunell, Andrew
 Sturdy, Julian
 Swales, Ian
 Swayne, Mr Desmond
 Swinson, Jo
 Syms, Mr Robert
 Tapsell, Sir Peter
 Teather, Sarah
 Thurso, John
 Timpson, Mr Edward
 Tomlinson, Justin
 Tredinnick, David
 Turner, Mr Andrew
 Tyrie, Mr Andrew
 Uppal, Paul
 Vaizey, Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Walter, Mr Robert
 Watkinson, Angela
 Weatherley, Mike
 Webb, Steve
 Wharton, James
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, Mr John
 Wiggin, Bill
 Williams, Mr Mark
 Williams, Roger
 Williams, Stephen
 Williamson, Gavin
 Willott, Jenny
 Wilson, Mr Rob
 Wilson, Sammy
 Wollaston, Dr Sarah
 Wright, Jeremy
 Wright, Simon
 Yeo, Mr Tim
 Young, rh Sir George
 Zahawi, Nadhim

Tellers for the Ayes:
 Stephen Crabb and
 James Duddridge

NOES

Hermon, Lady
 Hosie, Stewart
 MacNeil, Mr Angus Brendan
 Mulholland, Greg
 Paisley, Ian
 Robertson, Angus

Skinner, Mr Dennis
 Whiteford, Dr Elidh
 Wishart, Pete

Tellers for the Noes:

Mr Mike Weir and
 Jonathan Edwards

Question accordingly agreed to.

Mr Speaker: With the leave of the House, I propose to take motions 11 to 52 together—

Jeremy Corbyn (Islington North) (Lab): Read them out—every one of them.

Mr Speaker: I am grateful to the hon. Gentleman for his exhortation to read out the name of each motion individually, but I shall resist.

11. HIGH STRENGTH BEER DUTY

Resolved,

That provision may be made for and in connection with high strength beer duty.

12. TOBACCO PRODUCTS DUTY (RATES)

Resolved,

That—

(1) For the table in Schedule 1 to the Tobacco Products Duty Act 1979 substitute—

Table	
1. Cigarettes	An amount equal to 16.5 per cent of the retail price plus £154.95 per thousand cigarettes
2. Cigars	£193.29 per kilogram
3. Hand-rolling tobacco	£151.90 per kilogram
4. Other smoking tobacco and chewing tobacco	£84.98 per kilogram

(2) The amendment made by this Resolution comes into force at 6 pm on 23 March 2011.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

13. AMUSEMENT MACHINE LICENCE DUTY (AMOUNTS OF DUTY)

Resolved,

That—

(1) In section 23(2) of the Betting and Gaming Duties Act 1981 (amount of duty payable on amusement machine licence), for the table substitute—

Table						
Months for which licence granted	Category A	Category B1	Category B2	Category B3	Category B4	Category C
	£	£	£	£	£	£
1	535	270	215	215	195	85
2	1070	535	425	425	385	160
3	1605	805	635	635	575	240
4	2140	1070	845	845	765	320

Table

Months for which licence granted	Category A	Category B1	Category B2	Category B3	Category B4	Category C
	£	£	£	£	£	£
5	2675	1340	1055	1055	960	400
6	3210	1605	1265	1265	1150	480
7	3745	1875	1475	1475	1340	555
8	4280	2140	1685	1685	1530	635
9	4815	2410	1895	1895	1725	715
10	5350	2675	2105	2105	1915	795
11	5885	2945	2315	2315	2105	875
12	6110	3055	2405	2405	2185	905

(2) The amendment made by this Resolution has effect in relation to cases where the application for the amusement machine licence is received by the Commissioners for Her Majesty's Revenue and Customs after 4 pm on 25 March 2011.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

14. FUEL DUTY (RATES FROM 23 MARCH 2011)

Resolved,

That—

(1) The Hydrocarbon Oil Duties Act 1979 is amended as follows.

(2) In section 6(1A) (main rates)—

(a) in paragraph (a) (unleaded petrol), for “£0.5895” substitute “£0.5795”,

(b) in paragraph (aa) (aviation gasoline), for “£0.3835” substitute “£0.3770”,

(c) in paragraph (b) (light oil other than unleaded petrol or aviation gasoline), for “£0.6867” substitute “£0.6767”, and

(d) in paragraph (c) (heavy oil) for “£0.5895” substitute “£0.5795”.

(3) In section 8(3) (road fuel gas)—

(a) in paragraph (a) (natural road fuel gas), for “£0.2615” substitute “£0.2470”, and

(b) in paragraph (b) (other road fuel gas), for “£0.3304” substitute “£0.3161”.

(4) In section 11(1) (rebate on heavy oil)—

(a) in paragraph (a) (fuel oil), for “£0.1088” substitute “£0.1070”, and

(b) in paragraph (b) (gas oil) for “£0.1133” substitute “£0.1114”.

(5) In section 14(1) (rebate on light oil for use as furnace fuel), for “£0.1088” substitute “£0.1070”.

(6) In section 14A(2) (rebate on certain biodiesel), for “£0.1133” substitute “£0.1114”.

(7) The amendments made by this Resolution come into force at 6 pm on 23 March 2011.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

15. FUEL DUTY (RATES FROM JANUARY 2012)

Resolved,

That provision may be made amending the rates of duty and rebates in the Hydrocarbon Oil Duties Act 1979 from 1 January 2012.

16. VEHICLE EXCISE DUTY (RATES FOR LIGHT PASSENGER VEHICLES ETC)

Resolved,

That—

(1) Schedule 1 to the Vehicle Excise and Registration Act 1994 (annual rates of duty) is amended as follows.

(2) In paragraph 1 (general)—

(a) in sub-paragraph (2) (vehicle not covered elsewhere in Schedule otherwise than with engine cylinder not exceeding 1,549cc), for “£205” substitute “£215”, and

(b) in sub-paragraph (2A) (vehicle not covered elsewhere in Schedule with engine cylinder capacity not exceeding 1,549cc), for “£125” substitute “£130”.

(3) In paragraph 1B (graduated rates of duty for light passenger vehicles)—

(a) for the tables substitute—

Table 1
Rates Payable on First Vehicle Licence for Vehicle

CO ₂ Emissions Figure		Rate	
(1)	(2)	(3)	(4)
Exceeding	Not exceeding	Reduced rate	Standard rate
g/km	g/km	£	£
130	140	105	115
140	150	120	130
150	165	155	165
165	175	255	265
175	185	305	315
185	200	435	445
200	225	570	580
225	255	780	790
255	-	990	1000

Table 2
Rates Payable on any other Vehicle Licence for Vehicle

CO ₂ Emissions Figure		Rate	
(1)	(2)	(3)	(4)
Exceeding	Not exceeding	Reduced rate	Standard rate
g/km	g/km	£	£
100	110	10	20
110	120	20	30
120	130	85	95
130	140	105	115
140	150	120	130
150	165	155	165
165	175	180	190
175	185	200	210
185	200	235	245
200	225	250	260
225	255	435	445
255	-	450	460

(b) in the sentence immediately following the tables, for paragraphs (a) and (b) substitute—

“(a) in column (3), in the last two rows, “250” were substituted for “435” and “450”, and

(b) in column (4), in the last two rows, “260” were substituted for “445” and “460”.”

(4) In paragraph 1J (VED rates for light goods vehicles)—

(a) in paragraph (a), for “£200” substitute “£210”, and

(b) in paragraph (b), for “£125” substitute “£130”.

(5) In paragraph 2(1) (VED rates for motorcycles)—

(a) in paragraph (a), for “£15” substitute “£16”,

(b) in paragraph (b), for “£33” substitute “£35”,

(c) in paragraph (c), for “£50” substitute “£53”, and

(d) in paragraph (d), for "£70" substitute "£74".

(6) The amendments made by this Resolution have effect in relation to licences taken out on or after 1 April 2011.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

17. VEHICLE EXCISE DUTY (CERTAIN GOODS VEHICLES WITHOUT ROAD-FRIENDLY SUSPENSION)

Resolved,

That—

(1) Part 8 of Schedule 1 to the Vehicle Excise and Registration Act 1994 (rates for goods vehicles) is amended as follows.

(2) In—

(a) paragraph 9(1) (rigid vehicles exceeding 3,500 kilograms revenue weight in case of which pollution requirements are not satisfied), and

(b) paragraph 9A(2) (rigid vehicles exceeding that weight in case of which pollution requirements are satisfied),

after "(3)" insert "and paragraph 11D".

(3) In—

(a) paragraph 11(1) (tractive units exceeding 3,500 kilograms revenue weight in case of which pollution requirements are not satisfied), and

(b) paragraph 11A(2) (tractive units exceeding that weight in case of which pollution requirements are satisfied),

for "paragraph 11C" substitute "paragraphs 11C and 11D".

(4) In paragraph 11C(2) (tractive units between 41,000 and 44,000 kilograms revenue weight, with 3 or more axles and used for conveyance of semi-trailers with 3 or more axles and usable on public road in accordance with law immediately before 21 March 2000), for "The" substitute "Subject to paragraph 11D, the".

(5) After paragraph 11C insert—

"Certain vehicles without road-friendly suspension

11D (1) This paragraph applies to goods vehicles which do not have road-friendly suspension.

(2) A goods vehicle does not have road-friendly suspension if any driving axle of the vehicle has neither—

(a) an air suspension (that is, a suspension system in which at least 75 per cent of the spring effect is caused by an air spring), nor

(b) a suspension which is regarded as being equivalent to an air suspension for the purposes under Annex II of Council Directive 96/53/EC.

(3) The annual rate of vehicle excise duty applicable to a rigid goods vehicle to which this paragraph applies and which has—

(a) a revenue weight of 15,000 kilograms, and

(b) two axles, is £238.

(4) The annual rate of vehicle excise duty applicable to a rigid goods vehicle to which this paragraph applies and which—

(a) is a vehicle with respect to which the reduced pollution requirements are satisfied,

(b) has a revenue weight of 21,000 kilograms, and

(c) has three axles, is £193.

(5) The annual rate of vehicle excise duty applicable to a rigid goods vehicle to which this paragraph applies and which—

(a) is a vehicle with respect to which the reduced pollution requirements are satisfied,

(b) has a revenue weight of not less than 23,000 kilograms but less than 26,000 kilograms, and

(c) has three axles, is £299.

(6) The annual rate of vehicle excise duty applicable to a rigid goods vehicle to which this paragraph applies and which—

(a) is a vehicle with respect to which the reduced pollution requirements are satisfied,

(b) has a revenue weight of 27,000 kilograms, and

(c) has four or more axles, is £314.

(7) The annual rate of vehicle excise duty applicable to a tractive unit to which this paragraph applies and which has two axles and either—

(a) has a revenue weight of 25,000 kilograms, or

(b) is a vehicle with respect to which the reduced pollution requirements are satisfied and as a revenue weight exceeding 25,000 kilograms but less than 28,000 kilograms, is £266.

(8) The annual rate of vehicle excise duty applicable to a tractive unit to which this paragraph applies and which—

(a) has a revenue weight of 28,000 kilograms,

(b) has two axles, and

(c) is to draw semi-trailers with two or more axles, is £177.

(9) The annual rate of vehicle excise duty applicable to a tractive unit to which this paragraph applies and which—

(a) is a vehicle with respect to which the reduced pollution requirements are satisfied,

(b) has a revenue weight of 31,000 kilograms,

(c) has two axles, and

(d) is to draw semi-trailers with two or more axles, is £403.

(10) The annual rate of vehicle excise duty applicable to a tractive unit to which this paragraph applies and which—

(a) is a vehicle with respect to which the reduced pollution requirements are satisfied,

(b) has a revenue weight of 36,000 kilograms,

(c) has three axles, and

(d) is to draw semi-trailers with two or more axles, is £394.

(11) The annual rate of vehicle excise duty applicable to a vehicle to which paragraph 11C and this paragraph apply and which—

(a) is a vehicle with respect to which the reduced pollution requirements are satisfied, and

(b) has a revenue weight less than 44,000 kilograms, is £464.

(12) This paragraph does not apply to a vehicle for which the annual rate of duty is determined under paragraph 9(2) or 11(2)."

(6) The amendments made by this Resolution have effect in relation to licences taken out on or after 1 April 2011.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

18. CLIMATE CHANGE LEVY (RATES)

Resolved,

That provision may be made about the rates of climate change levy.

19. AGGREGATES LEVY (RATE)

Resolved,

That—

(1) Section 16 of the Finance Act 2010 (increase in rate of aggregates levy from 1 April 2011) is repealed.

(2) Accordingly, the amendment made by section 20 of the Finance Act 2008 (increase in rate of aggregates levy from 1 April 2009) continues to have effect in relation to aggregate subjected to commercial exploitation on or after 1 April 2011.

(3) This Resolution comes into force on 31 March 2011.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

20. LANDFILL TAX (STANDARD RATE)*Resolved,*

That provision may be made about the standard rate of landfill tax.

21. EMPLOYMENT INCOME PROVIDED THROUGH THIRD PARTIES*Resolved,*

That provision (including provision having retrospective effect) may be made about steps which are taken in pursuance of, or which have some other connection with, arrangements concerned with the provision of rewards or recognition or loans in connection with current, former or prospective employments.

22. GIFTS AND OTHER DISPOSALS TO CHARITIES AND SPORTS CLUBS*Resolved,*

That provision may be made about gifts and other disposals to charities or community amateur sports clubs.

23. AMOUNTS NOT FULLY RECOGNISED FOR ACCOUNTING PURPOSES*Resolved,*

That provision (including provision having retrospective effect) may be made about cases where amounts are not fully recognised for accounting purposes.

24. LOAN RELATIONSHIPS INVOLVING CONNECTED DEBTOR AND CREDITOR*Resolved,*

That provision (including provision having retrospective effect) may be made amending sections 418 and 419 of the Corporation Tax Act 2009.

25. GROUP MISMATCH SCHEMES*Resolved,*

That provision may be made about group mismatch schemes.

26. CHARGEABLE GAINS*Resolved,*

That provision may be made amending, or making amendments connected with, the Taxation of Chargeable Gains Act 1992.

27. LEASING BUSINESSES*Resolved,*

That provision may be made about companies that carry on businesses of leasing plant or machinery.

28. INVESTMENT COMPANIES*Resolved,*

That provision may be made about investment companies.

29. REDUCED CHILDCARE RELIEF FOR HIGHER EARNERS*Resolved,*

That provision may be made for and in connection with reducing the amount of relief available to higher earners in respect of childcare vouchers or childcare provided by an employer.

30. EXPENDITURE ON RESEARCH AND DEVELOPMENT*Resolved,*

That provision may be made about tax relief for expenditure on research and development.

31. INTANGIBLE FIXED ASSETS*Resolved,*

That provision may be made amending Part 8 of the Corporation Tax Act 2009.

32. FOREIGN PERMANENT ESTABLISHMENTS*Resolved,*

That provision may be made about foreign permanent establishments of UK resident companies.

33. INVESTMENT TRUSTS*Resolved,*

That provision may be made about investment trusts.

34. FURNISHED HOLIDAY LETTINGS*Resolved,*

That provision may be made about furnished holiday lettings.

35. LEASES AND CHANGES TO ACCOUNTING STANDARDS*Resolved,*

That provision (including provision having retrospective effect) may be made about cases where there is a change in accounting standards in relation to leases.

36. COMPANIES WITH SMALL PROFITS*Resolved,*

That provision (including provision having retrospective effect) may be made amending Part 3 of the Corporation Tax Act 2010.

37. INSURANCE COMPANIES (APPORTIONMENT)*Resolved,*

That provision (including provision having retrospective effect) may be made about the apportionment of amounts under section 432C of the Income and Corporation Taxes Act 1988.

38. TRANSFER PRICING*Resolved,*

That provision may be made about the application of OECD principles in relation to transfer pricing.

39. PENSION SCHEMES*Resolved,*

That provision may be made in relation to pension schemes.

40. THE BANK LEVY*Resolved,*

That provision (including provision having retrospective effect) may be made for and in connection with the bank levy.

41. VALUE ADDED TAX (BUSINESS SAMPLES)*Resolved,*

That provision may be made amending the Value Added Tax Act 1994 in relation to business samples.

**42. VALUE ADDED TAX (SPLITTING OF
SUPPLIES)***Resolved,*

That provision may be made about supplies of goods within Group 3 of Schedule 8 to the Value Added Tax Act 1994.

43. VALUE ADDED TAX (ACADEMIES)*Resolved,*

That provision may be made about refunds of value added tax to proprietors of Academies.

**44. VALUE ADDED TAX (IMPORTED GOODS
OF LOW VALUE)***Resolved,*

That provision may be made restricting the relief from value added tax that is available in respect of imports of consignments of goods not exceeding a certain value.

**45. CLIMATE CHANGE LEVY (PRODUCTION
OF ELECTRICITY)***Resolved,*

That provision may be made for and in connection with the charging of climate change levy on supplies of commodities to be used in producing electricity.

**46. CLIMATE CHANGE LEVY (NORTHERN
IRELAND GAS SUPPLIES)***Resolved,*

That—

(1) In Schedule 6 to the Finance Act 2000 (climate change levy), omit paragraph 11A (exemption for Northern Ireland gas supplies).

(2) Paragraph (3) of this Resolution applies to a supply of gas if—

- (a) the supply is made by a gas utility (within the meaning of that Schedule (see paragraph 147)),
- (b) the person to whom the supply is made intends to cause the gas to be burned in Northern Ireland, and
- (c) the supply is treated as taking place on or after 1 April 2011 but before 1 November 2013.

(3) Paragraph 42 of that Schedule (amount payable by way of levy) has effect as if—

- (a) for sub-paragraphs (1) and (1A) there were substituted—
“(1) The amount payable by way of levy on a taxable supply is—
(a) if the supply is treated as taking place before 1 April 2012, £0.00059 per kilowatt hour, and
(b) if the supply is treated as taking place on or after that date, £0.00062 per kilowatt hour.”; and
- (b) in sub-paragraph (3) the reference to a reduced-rate supply were a reference to a supply to which this paragraph applies.

(4) In the Finance Act 2001, omit section 105(2) (which inserted paragraph 11A of that Schedule).

(5) The amendments made by paragraphs (1) and (4) of this Resolution have effect in relation to a supply of gas to a person if the gas is actually supplied to the person on or after 1 April 2011.

(6) Paragraphs (2) and (3) of this Resolution come into force on 1 April 2011.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

**47. CLIMATE CHANGE LEVY (SUPPLIES USED
IN TRANSPORT)***Resolved,*

That—

(1) The Treasury may by order provide that paragraph 12 of Schedule 6 to the Finance Act 2000 (climate change levy: exemption for supplies used in transport) does not apply in relation to any supply of a taxable commodity which—

- (a) is made on or after 1 April 2011, and
- (b) is of a description specified in the order.

(2) Any revocation order made under this Resolution may provide for the revocation to have effect in relation to supplies made on or after a day which is earlier than the day on which the revocation order is made.

(3) In this Resolution a “revocation order” is an order revoking the whole or any part of an order containing the provision mentioned in paragraph (1).

(4) The power to make an order under this Resolution, other than a revocation order, may not be exercised after 31 March 2012.

(5) The power to make an order under this Resolution is exercisable by statutory instrument.

(6) A statutory instrument containing an order under this Resolution is subject to annulment in pursuance of a resolution of the House of Commons.

(7) Any reference in this Resolution to the time at which a supply of a taxable commodity is made is to be read as a reference to the time at which the taxable commodity is actually supplied.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

**48. CLIMATE CHANGE LEVY (SUPPLIES USED
IN RECYCLING PROCESSES)***Resolved,*

That—

(1) The Treasury may by order provide that Schedule 6 to the Finance Act 2000 (climate change levy) is to have effect in relation to any supply of a taxable commodity made on or after 1 April 2011 as if—

- (a) paragraph 18A (exemption: supply for use in recycling processes), and
- (b) any reference to that paragraph, were omitted.

(2) An order made under this Resolution may apply—

- (a) generally, or
- (b) only in relation to supplies of a description specified in the order.

(3) Any revocation order made under this Resolution may provide for the revocation to have effect in relation to supplies made on or after a day which is earlier than the day on which the revocation order is made.

(4) In this Resolution a “revocation order” is an order revoking the whole or any part of an order containing the provision mentioned in paragraph (1).

(5) The power to make an order under this Resolution, other than a revocation order, may not be exercised after 31 March 2012.

(6) The power to make an order under this Resolution is exercisable by statutory instrument.

(7) A statutory instrument containing an order under this Resolution is subject to annulment in pursuance of a resolution of the House of Commons.

(8) Any reference in this Resolution to the time at which a supply of a taxable commodity is made is to be read as a reference to the time at which the taxable commodity is actually supplied.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

49. STAMP DUTY LAND TAX (PREVENTION OF AVOIDANCE)

Resolved,

That—

(1) Part 4 of the Finance Act 2003 (stamp duty land tax) is amended as follows.

(2) In section 45 (contract and conveyance: effect of transfer of rights), in subsection (3), for the words from “subsection (3)” to the end substitute “any of sections 71A to 73 (which relate to alternative property finance)”.

(3) Omit sections 71A(8), 72(7), 72A(8) and 73(5)(a) (which contain definitions of “financial institution” for the purposes of provisions relating to alternative property finance).

(4) After section 73B insert—

“73BA Meaning of “financial institution”

(1) In sections 71A to 73B “financial institution” has the meaning given by section 564B of the Income Tax Act 2007.

(2) For this purpose section 564B(1) applies as if paragraph (d) were omitted.”

(5) Paragraph 5 of Schedule 4 (chargeable consideration: exchanges) is amended in accordance with paragraphs (6) and (7) of this Resolution.

(6) In sub-paragraph (3)—

(a) for paragraph (a)(i) and (ii) substitute—

“(i) the amount determined under sub-paragraph (3A) in respect of the acquisition, or

(ii) if greater, the amount which would be the chargeable consideration for the acquisition ignoring paragraph 5;”, and

(b) for paragraph (b)(i) and (ii) substitute—

“(i) the amount determined under sub-paragraph (3A) in respect of that acquisition, or

(ii) if greater, the amount which would be the chargeable consideration for that acquisition ignoring paragraph 5;”.

(7) After that sub-paragraph insert—

“(3A) The amount mentioned in sub-paragraph (3)(a)(i) and (b)(i) is—

(a) the market value of the subject-matter of the acquisition, and

(b) if the acquisition is the grant of a lease at a rent, that rent.”

(8) Subject to what follows, the amendments made by paragraphs (2) and (5) to (7) of this Resolution have effect in relation to any transaction the effective date of which is on or after 24 March 2011.

(9) The amendments do not have effect in relation to any transaction (other than a notional transaction under section 75A of the Finance Act 2003)—

(a) which is effected in pursuance of a contract entered into and substantially performed before 24 March 2011, or

(b) which is effected in pursuance of a contract entered into before 24 March 2011 and which is not excluded by paragraph (11) of this Resolution.

(10) The amendments do not have effect in relation to any notional transaction under section 75A of the Finance Act 2003 if any scheme transaction—

(a) is completed before 24 March 2011,

(b) is effected in pursuance of a contract entered into and substantially performed before 24 March 2011, or

(c) is effected in pursuance of a contract entered into before 24 March 2011 and is not excluded by paragraph (11) of this Resolution.

(11) A transaction effected in pursuance of a contract entered into before 24 March 2011 is excluded by this paragraph if—

(a) there is any variation of the contract, or assignment of rights under the contract, on or after 24 March 2011,

(b) the transaction is effected in consequence of the exercise on or after 24 March 2011 of any option, right of pre-emption or similar right, or

(c) on or after 24 March 2011, there is an assignment, sub-sale or other transaction relating to the whole or part of the subject-matter of the contract as a result of which a person other than the purchaser under the contract becomes entitled to call for a conveyance.

(12) Terms used in paragraphs (8) to (11) of this Resolution have the same meaning as in Part 4 of the Finance Act 2003.

(13) The amendments made by paragraphs (3) and (4) of this Resolution come into force on 24 March 2011.

(14) But those amendments—

(a) do not have effect for the purposes of any of sections 71A to 73B of the Finance Act 2003 (other than those provisions mentioned in sub-paragraph (b) below) if the arrangements referred to in section 71A(1), 72(1), 72A(1) or 73(1) (as the case may be) were entered into before 24 March 2011, and

(b) do not have effect for the purposes of section 71A(2)(b), 72(2)(b), 72A(2)(b) or 73(2)(b) of that Act if the arrangements referred to there were entered into before 24 March 2011.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

50. SPECIFIED INVESTMENTS

Resolved,

That provision (including provision having retrospective effect) may be made about investments specified for the purposes of section 22 of the Financial Services and Markets Act 2000.

51. NATIONAL SAVINGS BANK ORDINARY ACCOUNT INTEREST

Resolved,

That provision may be made abolishing relief from income tax on interest on deposits in National Savings Bank ordinary accounts.

52. RELIEF FROM TAX (INCIDENTAL AND CONSEQUENTIAL CHARGES)

Resolved,

That it is expedient to authorise any incidental or consequential charges to any duty or tax (including charges having retrospective effect) that may arise from provisions designed in general to afford relief from taxation.

PROCEDURE (FUTURE TAXATION)

Resolved,

That, notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills, any Finance Bill of the present Session may contain the following provisions taking effect in a future year—

(a) provision for corporation tax to be charged for the financial year 2012,

(b) provision about indexation of the annual exempt amount,

(c) provision about the rates of climate change levy,

(d) provision about the standard rate of landfill tax,

(e) provision about taxable benefits in respect of cars with a CO₂ emissions figure,

- (f) provision about qualifying holiday accommodation,
- (g) provision about the lifetime allowance charge,
- (h) provision for and in connection with the charging of climate change levy on supplies of commodities to be used in producing electricity, and
- (i) provision for and in connection with data-gathering powers.

PROCEDURE (DATA-GATHERING POWERS IN CONNECTION WITH CERTAIN FOREIGN TAXES)

Resolved,

That, notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills, any Finance Bill of the present Session may make provision about obtaining data in connection with—

- (a) a tax of a member State, other than the United Kingdom, which is covered by the provisions for the exchange of information under the Directive of the Council of the European Communities No. 77/799/EEC (as amended from time to time),
- (b) taxes and duties imposed under the law of a territory outside the United Kingdom and covered by arrangements having effect by virtue of section 173 of the Finance Act 2006, and
- (c) value added tax charged in accordance with the law of a member State, other than the United Kingdom.

PROCEDURE (MUTUAL ASSISTANCE IN RECOVERY OF TAXES, DUTIES ETC)

Resolved,

That, notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills, any Finance Bill of the present Session may make provision for giving effect to Council Directive 2010/24/EU and any amendments, extensions or replacements of that Directive.

FINANCE (MONEY)

Queen's Recommendation signified.

Resolved,

That, for the purposes of any Act of the present Session relating to finance, it is expedient to authorise the payment out of money provided by Parliament of sums incurred by the Commissioners for Her Majesty's Revenue and Customs in preparing for the introduction of a new duty chargeable in respect of games played on machines.

Ordered,

That a Bill be brought in upon the foregoing Resolutions;

That the Chairman of Ways and Means, the Prime Minister, the Deputy Prime Minister, Mr Chancellor of the Exchequer, Secretary Vince Cable, Mr Secretary Duncan Smith, Secretary Chris Huhne, Danny Alexander, Mr Mark Hoban, Justine Greening and Mr David Gauke bring in the Bill.

FINANCE (No. 3) BILL

Presentation and First Reading

Mr David Gauke accordingly presented a Bill to grant certain duties, to alter other duties and to amend the law relating to the National Debt and the Public Revenue, and to make further provision in connection with finance.

Bill read the First time; to be read a Second time tomorrow, and to be printed (Bill 175) with explanatory notes (Bill 175-EN).

Business without Debate

DELEGATED LEGISLATION

Mr Speaker: With the leave of the House, I propose to take motions 3 to 8 together.

Motion made, and Question put forthwith (Standing Order No. 118(6)).

PENSIONS

That the draft Social Security (Reduced Rates of Class 1 Contributions, Rebates and Minimum Contributions) Order 2011, which was laid before this House on 3 February, be approved.

SOCIAL SECURITY

That the draft Mesothelioma Lump Sum Payments (Conditions and Amounts) (Amendment) Regulations 2011, which were laid before this House on 3 February, be approved.

That the draft Pneumoconiosis etc. (Workers' Compensation) (Payment of Claims) (Amendment) Regulations 2011, which were laid before this House on 3 February, be approved.

FAMILY PROCEEDINGS

That the draft Access to Justice Act 1999 (Destination of Appeals) (Family Proceedings) Order 2011, which was laid before this House on 3 February, be approved.

That the draft Family Procedure (Modification of Enactments) Order 2011, which was laid before this House on 28 February, be approved.

COMMUNITY INFRASTRUCTURE LEVY

That the draft Community Infrastructure Levy (Amendment) Regulations 2011, which were laid before this House on 7 February, be approved.—(Mr Newmark.)

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)).

LOCAL GOVERNMENT

That the draft Code of Recommended Practice on Local Authority Publicity, which was laid before this House on 11 February, be approved.—(Mr Newmark.)

The Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 30 March (Standing Order No. 41A).

Mr Speaker: With the leave of the House, I shall take motions 10 to 23 together.

Motion made, and Question put forthwith (Standing Order No. 118(6)).

ELECTRICITY

That the draft Renewables Obligation (Amendment) Order 2011, which was laid before this House on 9 February, be approved.

That the draft Warm Home Discount Regulations 2011, which were laid before this House on 28 February, be approved.

BROADCASTING

That the draft Media Ownership (Radio and Cross-media) Order 2011, which was laid before this House on 14 February, be approved.

SOCIAL SECURITY

That the draft Guardian's Allowance Up-Rating (Northern Ireland) Order 2011, which was laid before this House on 15 February, be approved.

TAX CREDITS

That the draft Tax Credits Up-Rating Regulations 2011, which were laid before this House on 15 February, be approved.

SOCIAL SECURITY

That the draft Guardian's Allowance Up-Rating Order 2011, which was laid before this House on 9 March, be approved.

EQUALITY

That the draft Employment Equality (Repeal of Retirement Age Provisions) Regulations 2011, which were laid before this House on 1 March, be approved.

That the draft Equality Act 2010 (Public Authorities and Consequential and Supplementary Amendments) Order 2011, which was laid before this House on 14 February, be approved.

IMMIGRATION

That the draft Immigration and Nationality (Fees) Regulations 2011, which were laid before this House on 10 March, be approved.

CORPORATION TAX

That the draft Enactment of Extra-Statutory Concessions Order 2011, which was laid before this House on 8 March, be approved.

INSURANCE PREMIUM TAX

That the Insurance Premium Tax, (Discounted Insurance Premiums: Higher Rate) Order 2011 (S.I., 2011, No. 661), dated 7 March, a copy of which was laid before this House on 8 March, be approved.

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith (Standing Order No. 119(1)).

OFFSHORE ACTIVITIES

That this House takes note of European Union Document No. 14768/10, relating to a Commission Communication on Facing the challenge of the safety of offshore oil and gas activities and Addendum 1; agrees that the UK has a proven, robust offshore environmental and safety regime, and supports the Government's intention to work closely with the Commission and EU Member States to ensure that high standards of health and safety and high levels of protection for the environment are maintained across Europe in respect of oil and gas operations.

SATELLITE NAVIGATION

That this House takes note of European Union Documents No. 14701/10, draft Decision on the detailed rules for access to the public regulated service offered by the global navigation satellite system established under the Galileo programme, and No. 5530/11, Commission Report on the mid-term review of the European satellite radio navigation programmes; supports the Government's aim of securing practical, proportionate and enforceable legislation that balances the need for appropriate security controls of manufacturers and users against favourable conditions in which a market for the PRS and associated equipment can grow; and supports the Government's aim of beginning Galileo services as early as possible, albeit reduced in scope if the programme cannot be delivered within the allocated budget.

MILK AND MILK PRODUCTS

That this House takes note of European Union Document No. 17582/10, Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No. 1234/2007 as regards contractual relations in the milk and milk products sector; notes the potential for the establishment of producer organisations in the dairy sector to enhance the bargaining power of producers; and supports the Government's view that greater clarity of existing competition law and what producers may do collectively would better enable rebalancing of negotiating power in the sector rather than the Commission's proposed exemption from competition law and limits based upon national milk production.

RECOGNITION AND ENFORCEMENT OF JUDGMENTS

That this House takes note of European Union Document No. 18101/10 and Addenda 1 and 2, relating to a Draft Regulation of the European Parliament and of the Council on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters; and endorses the Government's decision about whether to exercise the UK opt-in under Protocol 21 to the Treaty on the Functioning of the European Union.—(Mr Newmark.)

Question agreed to.

SITTINGS OF THE HOUSE (5 APRIL)

Ordered,

That, on Tuesday 5 April, the House shall meet at 11.30 am and references to specific times in the Standing Orders of this House shall apply as if that day were a Wednesday.—(Mr Newmark.)

BUSINESS OF THE HOUSE (5 APRIL)

Ordered,

That, at the sitting on Tuesday 5 April—

- (a) proceedings on the Motion in the name of the Prime Minister relating to humanitarian relief may continue, though opposed, for three hours, and shall then lapse if not previously disposed of; and
- (b) notwithstanding the provisions of Standing Order No. 14 (Arrangement of public business), the backbench business determined by the Backbench Business Committee may be entered upon at any hour, may then be proceeded with, though opposed, for three hours, and shall then lapse if not previously disposed of.—(Mr Newmark.)

NOTICES OF QUESTIONS

Ordered,

That, notwithstanding sub-paragraph (a) of the proviso to paragraph (5) of Standing Order No. 22 (Notices of questions, motions and amendments), notices of questions to the Secretary of State for Scotland for oral answer on Wednesday 4 May may be given on Tuesday 26 April.—(Mr Newmark.)

PRIVATE MEMBERS' BILLS

Motion made,

That, notwithstanding the provisions of Standing Order No. 14(4), Private Members' Bills shall have precedence over Government business on 9 September 2011, 21 October 2011, 25 November 2011 and 20 January 2012.—(Mr Newmark.)

Mr Speaker: As there is an amendment not supported by the Member in charge, I will follow the practice of my predecessors and treat it as an objection to the motion. Objection taken.

Rail Engineering (Jobs)

Motion made, and Question proposed, That this House do now adjourn.—(Mr Newmark.)

Mr Speaker: Before I call the hon. Member for Hayes and Harlington (John McDonnell), may I appeal to right hon. and hon. Members who are not staying for the Adjournment to leave the Chamber quickly and quietly, extending the same courtesy to the hon. Gentleman as they would want to be extended to them in similar circumstances?

11 pm

John McDonnell (Hayes and Harlington) (Lab): I refer the House to my entry in the Register of Members' Financial Interests. I have a railway estate in my constituency. It was a British Rail estate constructed to house railway workers. Although many of those properties have been sold off, it still predominantly houses railway workers, many of them retired but many of them still working. As a result, I have taken an interest in the railway industry for the past 30 years. I am also the convenor of the National Union of Rail, Maritime and Transport Workers group in the House. We come together as a group of Members interested in the railways to receive briefings from the union on issues of the day.

One of the key issues that has been raised consistently with us over the past year has been the current and future state of rail engineering in this country. Rail engineering concentrates on renewals, which includes the installation of new overhead lines and signals and the laying of track. It is skilled work and we have a skills base of trained and experienced workers developed over centuries. It requires that skill to produce the quality of work that ensures a safe transport system for the travelling public. We have learned to our cost over the years that if there is any undermining of that skills base, it produces accidents. I lost one of my constituents in the Paddington disaster, and others were injured in Southall.

Network Rail, the not-for-profit company that was established by the previous Government, is responsible for the rail infrastructure and for rail engineering. Network Rail puts out to tender to private companies all the renewals work. Jarvis was a major contractor in the field of renewals until a year ago, almost to the day. On 31 March 2010 Jarvis went into administration. Some 1,200 workers—skilled railway engineers—across Britain were sacked. That put a large section of the rail engineering skills base of this country in jeopardy and it is still impacting on the industry.

The impact on the workers and their families was disastrous and heart-rending in many cases. They were paid only statutory redundancy. Their accrued benefits were lost, and active and retired members of the Jarvis pension scheme suffered detriment to their pension entitlement. I have met a number of the ex-Jarvis workers and it has been extremely distressing. They appealed to me to explain to the House just what had happened to them and the effect of being sacked in that way. They asked me to give a couple of examples.

I met Mick. He was one of the workers who explained that they were sacked the week that they were due to be paid four weeks' money, and the mortgage and bills still had to be paid. The loss of his job led to a strained relationship with family members and severe financial

difficulties. They were forced to sell the family car. He suffered medical problems as a direct result of the stress brought on by his redundancy. The chief grievance for him is the pain of knowing that his former work is still being done, but by someone else on less pay and with worse conditions.

I met Brian, who had worked for Jarvis for 36 years. He had been a skilled worker. He told me that

"to sign on unemployed is soul-destroying and we have to live off our savings to pay for food and bills. I have applied for lots of jobs, over 50, and have received only one reply. I was unsuccessful in that application."

He went on to say:

"The future looks bleak. I feel very let down by Jarvis and Network Rail for putting us in this life-changing situation."

The last individual I met, Martyn, is in work. He said that other rail contractors have taken

"advantage of sacked engineers' desperation to find work".

He said there are now

"low wages, poor terms and conditions; long hours; zero hours working; long driving times and a culture of keeping quiet about safety for fear of not being picked for contracts... I hope my fears about accidents and death on a railway I just don't recognise anymore prove to be untrue."

Jeremy Corbyn (Islington North) (Lab): I congratulate my hon. Friend on securing the debate and on his speech. Could he explain, if he knows, why the valuable and skilled workers of Jarvis were not taken into direct employment by Network Rail at the time of Jarvis's collapse? Clearly, all their work was done for Network Rail anyway, as there are no other railway services in Britain to work for.

John McDonnell: I will explain, but first I will give another example of what I found among ex-Jarvis workers. We met workers who are now touring the country picking up days of work. These are skilled engineers, but some of them are unable to afford proper accommodation because they are now agency workers on low wages and are having to sleep in cars and vans so that they can pick up a day's work wherever they can.

Let me explain what happened, because lessons need to be learned from what happened for the future of rail engineering in this country. Jarvis's bankruptcy did not need to happen. It was forced into administration because Network Rail deferred renewals work to comply with the Office of Rail Regulation's decree that it needed to make a 21% saving over the five-year control period 2009 to 2014. Jarvis's bankruptcy was not the result of the recession. Despite the cash-flow problems, it had £100 million-worth of work on its order book.

My hon. Friend the Member for Islington North (Jeremy Corbyn) referred to the fact that Network Rail refused a rescue plan from the administrator for Jarvis's rail division. The administrator put forward a proposal for a £19 million investment to cover the running costs and wages for a couple of months of operation, which would have enabled the staff of Jarvis to be transferred in an orderly way to other companies that were picking up the Jarvis contracts. That was rejected by Network Rail, and the Government refused to intervene and use their legal powers under the Railways Act 2005 to treat Jarvis's work as an essential railway activity, as that would have allowed them to step in and protect

the work and the workers themselves. We now know from freedom of information requests that the Government knew months in advance of Jarvis's imminent crash.

The lesson is that we must never again allow the failure of one company to put railway engineering at risk in this way, because the results of this fiasco are horrendous. One year on, the majority of the ex-Jarvis workers are still on the dole and Network Rail is re-letting former Jarvis contracts to agency labour. We are discovering exploitative wages and conditions. Even if ex-Jarvis workers have followed their work, they have moved across to inferior terms and conditions. There is now a fear about the commitment and quality of the work being done by the agency work force.

The irony is that we now know from Deloitte, which communicated this to Jarvis's creditors, that the book value of the rail debts that were written off was £10.7 million, and the vast majority of the amount that was written off was owed to Network Rail. If we add to that the cost of redundancy, which fell on the taxpayer because the staff were not transferred under TUPE, and the drain on the staff funds of the benefit payments for the unemployed workers, we find that the overall cost of allowing Jarvis to collapse into administration in this way outweighs the £19 million cost of the rescue plan that the administrator proposed. It was a false economy not to accept the rescue plan, and it had a tragic outcome for the workers.

There is also a longer-term cost that threatens the future of the rail industry and safe transport, because we are undermining the rail engineering skills base that we developed over two centuries. One of our concerns is that we have a demoralised work force, many of them unemployed, and that insecure work is being offered to agency workers with no stable future. We seem also to have undermined the attraction of a career in rail engineering, thereby jeopardising the recruitment of a future generation of rail engineering workers.

Jim McGovern (Dundee West) (Lab): Is my hon. Friend aware, as I am, having found out just 10 minutes ago, that there are people employed in this House—in the Palace of Westminster—through an agency that charges £20 per hour and pays them £6.15 per hour?

John McDonnell: The reason why I raise the issue of agency workers in the rail industry is that such employment practice is becoming the norm for a number of companies. It is reflected throughout industry, and if it has now invaded the House, I find that disappointing. We as Members should take it up, because it does not seem to be a particularly cost-effective way of employing staff. The agency receives a large cut, but there is very little reward for the workers themselves.

The irony of what happened to the Jarvis workers is that, during the period in which they were laid off, the previous Government and the incoming Government were planning one of the largest railway industry expansion and modernisation programmes that we have seen for perhaps 50 or 70 years. It has happened just at a time when there is a huge job of work to be done in modernising the rail network, with the arrival of Crossrail, High Speed 2 and the electrification of the Great Western main line. We need a stable and skilled rail engineering work force and a national strategy that will retain and develop those skills, so that we can complete that

modernisation and renew and enhance our rail network. In the long term, if we are to ensure that stability, we should bring renewals back in-house, back into Network Rail.

The McNulty interim report demonstrated that, when Network Rail brought maintenance in-house in 2004, there was a saving of £400 million per annum. I believe that bringing the renewals back in-house would achieve the same savings, but all the potential for the development, improvement and modernisation of our rail network will be jeopardised if we go through another Jarvis-type disaster.

I should welcome the Minister addressing several issues, and I express my gratitude to the Ministers we have met in recent months. The RMT parliamentary group, RMT union officials and the TUC have discussed with Ministers the plight of Jarvis workers and the future of rail engineering, and I am grateful to the Minister of State, Department for Transport, for writing to Network Rail to urge it to work closely with the unions and to meet members of the RMT parliamentary group. We have heard that the new chief executive at Network Rail, David Higgins, has expressed a willingness to attend a round table of stakeholders to discuss where we go from here on rail engineering.

I should like to ask the Minister here tonight to look at a number of concerns about the future. First, what is to happen to the ex-Jarvis workers who are still on the dole? Network Rail could assist in resolving some of the problems of the ex-Jarvis workers by stipulating that new contractors employ Jarvis workers or at least give them first refusal in any application for jobs. Part of the problem is that it is not clear where the former Jarvis contracts have been awarded, so it would be helpful if Ministers could intervene, asking Network Rail to identify through its Sentinel system exactly how many former Jarvis workers have been employed by contractors and how many are still out of work. In that way, we could work with them to secure their re-entry into the industry.

It would be helpful also if pressure could be put on the individual organisations—the five main companies that took over the Jarvis work—to meet the unions and other representatives of the work force to ensure that we overcome some of the outstanding claims from Jarvis's going into administration. The companies are BAM Nuttall, Babcock Rail, Freightliner, DB Schenker and VolkerRail. In the long-term interests of the rail industry, we should do all in our power to ensure that this never happens again in this industry—that we never go through another collapse of a company when all the various agencies and stakeholders just stand to one side and allow it to happen.

Jim Shannon (Strangford) (DUP): Is the hon. Gentleman suggesting that what is needed is for the Government to take a direct, hands-on approach to retaining skills and ensuring that those who have lost jobs get back into work again?

John McDonnell: Certainly. I will come on to an idea that I have about that, which I think will interest the hon. Gentleman.

To deal with the more immediate questions about learning the lessons of how this occurred, one of the concerns expressed was about the failure by Government

[John McDonnell]

to apply the powers of the Railways Act, which would have protected not only the contract work that was being undertaken but the workers who were undertaking those contracts. It would be helpful if the Minister could offer interested Members from all parties a meeting with the appropriate civil servants to discuss the procedures and criteria for when Government can apply the powers under the Railways Act if companies are threatened or in danger of going into administration, so that at least we get those procedures clear in case this occurs again.

I also ask the Minister to look at the arrangements under the Transfer of Undertakings (Protection of Employment) Regulations 1981 to see how they can be amended so that we are never again in a situation in which workers are unprotected and are made unemployed, not transferred across, and then taken back on under agency conditions, and, as a result, on worse wages and with worse conditions.

I would also welcome the Minister working with us to review the protection of railway workers' pensions. The original pension rights of those who worked for British Rail, which Members from parties across the House thought would be protected on its privatisation, have been undermined by subsequent pensions legislation—I think unintentionally so.

Jim McGovern: Does my hon. Friend agree that it is a scandal that TUPE does not apply to pensions?

John McDonnell: It is a gap in the protection of workers' living standards, and this instance is a classic example of how people's futures have been damaged when they thought they were secure. The material that was provided to railway workers on privatisation of British Rail—the leaflets and documents that they received in the consultations that took place—assured them of the security of their pensions for the long-term. But then, as privatisation proceeded and individual companies took over individual contracts, those assurances were unfortunately not adhered to, and subsequent pensions legislation has undermined the protections that they had. Because this is not covered by TUPE, many of the workers have suffered detriment. That is something that we need to look at, on a cross-party basis, I hope.

My final point is about the long-term future of rail engineering, and it relates to the comments made by the hon. Member for Strangford (Jim Shannon). We are now facing an immense task in seeking to modernise our railways, and the success of that cannot be put at risk by the lack of a skilled engineering work force. One proposal that I have for the Minister is that he convene an urgent, industry-wide jobs seminar to examine rail engineering employment needs not only now but for the long term, so that we can work together to safeguard and enhance skills in railway engineering.

Mr Ian Davidson (Glasgow South West) (Lab/Co-op): Surely that jobs summit, or meeting, must include provision for youngsters thinking of entering the industry to assure them that they will have a stable future and will be treated properly. The sort of casualisation that we currently have in the industry is undoubtedly a deterrent to entry.

John McDonnell: I think the experience of Jarvis has sent a message right the way through the industry that this is no longer a secure job. The message from what has happened to the ex-Jarvis workers is this: "No matter how skilled you are, you will not necessarily be properly rewarded in terms of wages, decent conditions or the long-term security of your pension, regardless of how hard you work and whatever skills you have in the industry as it now stands." That is why it is critical that we take a lead in this matter and bring all the stakeholders together.

Karl McCartney (Lincoln) (Con): I have issues with Network Rail in my constituency, and I am interested to hear some of the information that the hon. Gentleman has given this evening, especially regarding the new chief executive. Does he think that the mindset of Network Rail has changed?

John McDonnell: I hope that it has. With the new chief executive, there is the potential for more openness and engagement. The previous chief executive even refused to meet a number of us on one occasion, although some of the less senior staff did.

I urge the Minister, as a matter of urgency, to get all the stakeholders in the industry together to look at the future of rail engineering and the skills base that we require. In that way, we can start planning the future of rail engineering on the basis of the needs that we now have, particularly as a result of the new investment that the Government are putting in. As I said, I think that this is a matter of urgency.

I save my last few words for the ex-Jarvis workers. I think that they have had an appalling deal and have been treated extremely badly. It behoves us as a House and those who are now in government to do everything we can to assist those workers to get back into work and to restore the dignity of work to them.

11.21 pm

The Parliamentary Under-Secretary of State for Transport (Norman Baker): I welcome the opportunity to debate in some detail the issues raised by the hon. Member for Hayes and Harlington (John McDonnell), who spoke with his usual integrity and humanity.

The hon. Gentleman will appreciate that the Minister of State, who has responsibility for this matter, is not able to be with us tonight, but I will make sure that his comments are drawn to her attention. I will ensure that a written response to the questions that I am not able to answer tonight is sent to him. I am grateful for his comments about her involvement. I understand that she is well aware, from the recent meeting and from correspondence, of the importance that the hon. Gentleman attaches to addressing the impact of events such as Jarvis plc's entry into administration on the rail industry skills base and on former employees. I have sympathy for those who have lost their jobs, and for the impact that it will have on their families. It is always a tragedy when someone loses their job, and the impact is much more widespread than just the effects on the individual concerned.

The Government are progressing with an ambitious programme for rail investment, because we believe that the railway network is vital to economic growth and

reducing carbon emissions. However, funding is not unlimited. We must ensure that every pound is spent efficiently, and secure the maximum long-term benefits and value for money. Of course, that includes having a safe railway.

The spending review settlement demonstrated the Government's commitment to rail transport. We have announced that we will fund and deliver a wide-ranging programme of investment in rail infrastructure and rolling stock. As the hon. Gentleman said, the projects include Thameslink and Crossrail, and the associated 2,100 new carriages; the intercity express programme; extending the electrification of the Great Western main line to Bristol and Cardiff; and electrifying the lines between Liverpool, Manchester, Preston and Blackpool. Major station development projects will proceed at Reading, Birmingham, London King's Cross and Gatwick airport. There are a number of other projects, including those announced in the Budget last week.

The sustained financial support that we have offered now needs to be matched by a relentless drive for efficiency on the part of the rail industry. Sir Roy McNulty's value-for-money study will have a crucial role in tackling that challenge from an industry-wide perspective. Sir Roy's emerging findings give a strong indication of the scope for improved value for money in our railways. The potential savings of up to £1 billion that are identified in the report are efficiencies that should be achievable while keeping the same level of services. From my point of view, achieving efficiencies in the railway means making a stronger railway for the future.

One of the key principles for making those savings is much closer working and an alignment of incentives between train operators and Network Rail. Alongside the Government's response to Sir Roy's interim findings, we therefore confirmed plans to reform the rail franchising system to make franchises longer, more flexible and more responsive to the needs of passengers, while providing better value for taxpayers. The railway as a whole faces significant challenges in terms of costs and affordability. Finding effective responses to those challenges will not be easy in such a large and complex industry. The study team has been encouraged by the ready co-operation it has received from many people within the industry. Its aim, with their help and support, is to chart a route to a sustainable future for rail in this country.

It is widely recognised that getting better value for money is key to a sound future for rail in this country. We want rail to be in a good place to compete with other modes, not least for carbon reasons. Sir Roy's recommendations, and the industry's response, will shape the Government's proposals for the reform of the industry, which we intend to set out later this year.

However, we recognise that a bigger and more efficient railway needs the very best of engineering and other skills to succeed. The industry's success in meeting the challenge of the future will depend on the skills, motivation and capabilities of its work force. That is tied into the issue of how the industry manages its supply chain, and how we manage our investment in the industry. We have registered the widely held view that the Government should try to avoid driving peaks and troughs in demand for various skills. In the future, the industry leadership needs to be able to play a greater role in addressing the issue, and it must consider the impact that investment

decisions can have right down the chain and how those decisions can be balanced to provide the best value for the taxpayer.

I am conscious that I had less than 10 minutes for my speech, but I shall try to get through as much as I can. I turn to the specific issue of Jarvis plc's entry into administration. We greatly regret the failure of Jarvis and the subsequent loss of jobs and impact on individual families. I know that my right hon. Friend the Minister of State welcomed the chance to meet the hon. Gentleman and others in the RMT parliamentary group on 15 February, and to hear the group's views on the matter at first hand. Following that meeting, I understand that Network Rail's chief executive, David Higgins, has been in touch to confirm his willingness to meet the group to discuss its concerns.

Network Rail re-let to Babcock Rail the track renewal work previously undertaken by Jarvis on the London North Eastern and Midland and Continental routes, which led to a number of staff gaining employment with Babcock Rail. However, as the hon. Gentleman is aware, the contractual arrangements for track renewal work are commercial matters between Network Rail and the infrastructure companies, in which the Government have no locus to intervene.

Network Rail has made it clear that all current track renewal work has been allocated, and that there are no outstanding contracts to be filled. It is tasked to deliver the value for money needed to meet the output and efficiency targets for the operation, maintenance and renewal of the network set out by the independent Office of Rail Regulation. The ORR's latest industry review makes it clear that Network Rail is delivering improved efficiency through the use of new technology and improved working practices, including the use of high-output track renewal equipment and pre-assembled modular sets of points, which allow it to carry out renewal work more quickly.

The Government recognise the importance of maintaining a skilled work force in the rail sector. That is why Sir Roy McNulty's value-for-money study is working to identify major improvements in asset and supply chain management, and to forecast future requirements for work force skills. The Government also believe that infrastructure investment is crucial for Britain's future, so over the next four years we will provide £14 billion of funding to Network Rail to support capital maintenance and infrastructure investment.

As the hon. Gentleman will know, we support a Y-shaped national high-speed rail network from London to Birmingham, Leeds and Manchester, with connections on to existing main lines. That would release capacity to expand commuter, regional and freight services on existing lines. The benefits of that network would bring about £44 billion to the country. Building the London to west midlands line would create about 9,000 jobs during construction, 1,500 permanent jobs following completion and 30,000 jobs around the stations of the high-speed network.

The Government are determined to achieve a sustainable, efficient and growing railway. We are equally determined that no changes should be made that would jeopardise the impressive improvements in safety and punctuality achieved across the industry in recent years. We are determined to get those responsible for track and train

[Norman Baker]

to work together more closely, to drive down the costs to taxpayers and fare payers while improving the quality of services.

Underlying our determination is our recognition of the need to maintain a skilled and properly resourced work force in the rail industry. Sir Roy McNulty's value-for-money study will forecast future requirements for work force skills. We will consider Sir Roy's final recommendations very carefully when they arrive, including in relation to the matters that the hon. Gentleman raised, against the overriding need for any reform to be designed to secure the greatest long-term benefits to the fare payer and taxpayer.

Many of the specific matters that the hon. Gentleman raised are best taken forward by my right hon. Friend the Minister of State, and as I said, I will ask her to write to him formally to provide a response. He suggested that the new contractors should give first refusal to ex-Jarvis workers, but I do not believe the Department

should require that, because we have no locus to involve ourselves in commercial arrangements between Network Rail and those whom it seeks to employ, let alone in deciding who contracting companies take on. However, his comments have been noted, and I am sure that those in the rail industry will pay attention to them.

The hon. Gentleman asked whether it would be possible to meet the appropriate civil servants to examine the criteria for when the Department might intervene under the Railways Act 2005. That is a matter for the Department, and notwithstanding the fact that my right hon. Friend the Minister of State is not here, I will suggest to her that that might be a sensible way for the hon. Gentleman to meet officials.

Jim McGovern: The Minister mentioned billions of pounds of investment. Could he tell me, or will he meet me—

11.30 pm

House adjourned without Question put (Standing Order No. 9(7)).

House of Commons

Wednesday 30 March 2011

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER in the Chair]

Oral Answers to Questions

INTERNATIONAL DEVELOPMENT

The Secretary of State was asked—

UN Women (Funding)

1. **Lisa Nandy** (Wigan) (Lab): What criteria he plans to use to assess the strategic plan for UN Women when determining the funding to be allocated to it. [49661]

The Secretary of State for International Development (Mr Andrew Mitchell): We recently reviewed the value for money of British taxpayers' funding to all multilateral agencies through the multilateral aid review. We will use the same broad criteria to assess UN Women's strategic plan.

Lisa Nandy: Currently, new funding pledges to UN Women for 2011 amount to just \$55 million, less than 10% of the target set by member states in 2010. In order for this important initiative to succeed—and so that the UK can say it played its part in its success—will the Minister heed the calls of Voluntary Service Overseas and others to provide adequate funding urgently?

Mr Mitchell: The hon. Lady is absolutely right to flag up the importance of this new agency and the fact that it has strong cross-party support. The United Kingdom played a key role in its establishment. We have provided transitional funding, and when we see the strategic plan in June, we will then fund it. I have no doubt at all that, in consultation with other funding bodies, we will be able to play a very full part.

Duncan Hames (Chippenham) (LD): UN Women's strategic plan is guided in part by millennium development goals 4 and 5. The Secretary of State has kindly just received from me Bradford-on-Avon Oxfam's Mothers Matter card for mother's day. Will the Secretary of State take this opportunity to restate to the House his Government's commitment to working internationally to achieve MDGs 4 and 5 on maternal and child health?

Mr Mitchell: Yes, my hon. Friend is absolutely right. At the first international summit the Prime Minister attended after taking office following the election of the coalition Government, he flagged up the importance of MDGs 4 and 5 very directly. Oxfam's campaign is an

outstanding success. It is extremely important, and we will be following through on many of the aspects Oxfam has specifically mentioned when we have the Global Alliance for Vaccines and Immunisation replenishment conference in London on 13 June.

South Sudan

2. **John Mann** (Bassetlaw) (Lab): What support his Department plans to give to development of the infrastructure of South Sudan in 2011-12. [49662]

The Secretary of State for International Development (Mr Andrew Mitchell): Our main infrastructure investments in 2011-12 in southern Sudan are expected to be in roads in rural areas, primary and secondary schools, teacher training centres, health care centres and other facilities to reduce insecurity and increase access to basic services.

John Mann: Here we have a brand new country about to form—it will do so on 9 July—that wants to join the Commonwealth. Its people speak English, and it has great links with the United Kingdom. Should we not shift part of our budget in order to allow this new country to get developing fast?

Mr Mitchell: The hon. Gentleman makes a good point. That is why we have focused very specifically on our support for the referendum. We are working very closely with President Mbeki on the issues of the border. We have had many discussions about the very points the hon. Gentleman mentions, most recently when I saw Salva Kiir on my visit just before Christmas, and we will be strongly supporting the new state in a whole series of different ways once it is set up.

Malcolm Bruce (Gordon) (LD): What engagement does the Secretary of State have with the African Development Bank and the World Bank on infrastructure development for southern Sudan—which, as he says, is desperately needed—given that the UK is a major contributor to both those organisations? What will their commitment be, and how will the Department for International Development co-ordinate with them?

Mr Mitchell: The Chairman of the departmental Select Committee is absolutely right to identify the crucial role that will be played by both the World Bank and the ADB. I recently had discussions on this very subject with Donald Kaberuka, the head of the ADB, in Addis Ababa at the African Union summit, and we will ensure that strong priority is given to infrastructure development. After all, this is a country with less than 28 km of tarmac roads.

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): Is the Secretary of State aware that there has recently been a big increase in land purchase by foreign investors in South Sudan? Although foreign investment can, of course, be very beneficial in the right circumstances, land speculation threatens food supplies and price stability not just in South Sudan but globally. What will the Secretary of State do to ensure that people in countries such as South Sudan do not become victims of land grabs by speculators?

Mr Mitchell: The hon. Gentleman rightly recognises one of the challenges for South Sudan. There is an array of challenges, on all of which Britain and the international community will seek to assist Salva Kiir and his new Government. I should make it clear to the hon. Gentleman that that country's oil revenue gives it the opportunity between now and 2015 to make more progress on all these millennium development goals than any other country on earth. Britain will be playing its full part in trying to bring that about.

Geoffrey Clifton-Brown (The Cotswolds) (Con): At a meeting yesterday, a former Foreign Secretary of Sudan said that when the new Government take over in July the desperate need will be for government advice and training, as well as infrastructure. What plans do my right hon. Friend and his Department have to provide that advice and training?

Mr Mitchell: My hon. Friend is absolutely right: supporting democratic and accountable government will be at the heart of what we are trying to do in South Sudan. When I was in Juba to open the new British Government office there before Christmas, I was able to see some direct technical assistance that Britain is giving. As he says, we will need more of that.

Lesotho

3. Roberta Blackman-Woods (City of Durham) (Lab): What estimate he has made of the likely change in the level of official development assistance to Lesotho following the closure of his Department's bilateral aid programme in that country. [49663]

The Parliamentary Under-Secretary of State for International Development (Mr Stephen O'Brien): The DFID bilateral programme in Lesotho has delivered impressive results in, for example, reducing HIV prevalence in Lesotho's important garment factories from 37% to 27% in just three years. Notwithstanding the planned closure of our bilateral aid programme, we will continue to provide some £10 million in aid each year to Lesotho through multilateral channels. Our assessments indicate that official development assistance to Lesotho is likely to grow substantially in the years ahead.

Roberta Blackman-Woods: Churches in my constituency have a link with Lesotho that goes back many years. I recently met a delegation from Lesotho in Durham who told me of their grave concerns about the Government's decision to stop bilateral aid. Would the Minister be willing to meet a delegation from Durham to discuss how Lesotho can continue to be supported by the international community?

Mr O'Brien: I am grateful to the hon. Lady for her question, because I know that the Durham-Lesotho link has been an important, effective and long-standing connection of support between the two Anglican dioceses. The bilateral programme is very small, and many multilateral channels will remain available. We believe that they will grow, and that is where the future of Lesotho's better development will be derived. I would be more than happy to meet a delegation of her constituents to explore how this approach can be additive, rather than negative, which is what she is worried about.

Tony Baldry (Banbury) (Con): The UK will soon be spending 0.7% of GDP on international development. Following the recent review all of DFID's money is committed, so if people want more money spent somewhere in the international development framework, it behoves them to explain where they want that money taken from in the DFID budget. We cannot have continuous requests for more and more spending unless people are prepared to acknowledge where they want spending reduced.

Mr O'Brien: My hon. Friend makes an important point, particularly in relation to bilateral programmes. Of course, opportunities are provided through challenge funds, not least the global poverty action fund, and other funds that are available for those with an interest to continue to apply to. That will allow them not least to influence the way in which the multilaterals deploy their resources to which we contribute.

UK Anti-corruption Champion

4. Catherine McKinnell (Newcastle upon Tyne North) (Lab): What recent discussions he has had with the Secretary of State for Justice on the implications for development of his role as the UK's international anti-corruption champion. [49664]

The Parliamentary Under-Secretary of State for International Development (Mr Stephen O'Brien): My right hon. Friends have had many discussions, including in specific meetings on this important role—yet another meeting will be held on it shortly. We agree about the importance of a cross-government champion. To be credible when working with our developing country partners in tackling corruption, it is vital that we have strong systems in place in the UK.

Catherine McKinnell: I thank the Minister for that answer and welcome the news that the coalition is finally publishing guidance on the Bribery Act 2010, because delays to its publication have been very damaging to our reputation abroad. Given the devastating effects that corruption has on developing economies, can he confirm that the guidance has not been watered down to create loopholes for subsidiaries and joint ventures, and so the Act can be implemented, in the words of the Foreign Secretary, "rigorously, effectively and fairly"?

Mr O'Brien: I am delighted to stand here as the guidance is being published, something that has happened pretty rapidly under this Government after we waited for 13 years for something similar from the previous Government. Far from being diluted, the guidance has taken all the representations into serious consideration and it is now something on which we can work. We very much look forward to seeing it in place as the bedrock on which we can build.

Ms Harriet Harman (Camberwell and Peckham) (Lab): Openness and transparency are vital in the fight against corruption and in tackling exploitation of developing countries by global companies. It is a travesty that where there is massive wealth, such as in oil or minerals, local people do not benefit from it. The Government have said that they will support new European Union regulation to make companies disclose exactly how much they pay to the developing country's Government

for the right to extract natural resources, but what is needed is action. Will the Government take the lead on driving through the EU transparency regulation, and will he ensure that companies listed on the London stock exchange report the payments they make?

Mr O'Brien: I am grateful to the right hon. and learned Lady for raising this issue. As she knows, it is being addressed through the extractive industries transparency initiative on which I attended a meeting in Paris recently and to which there is now increasing commitment. In addition, my right hon. Friend the Chancellor said on 20 February that we would work with our EU partners to look precisely at what we can do to examine the very obvious example that is coming from Dodd-Frank in America, but making sure that is done at an EU level.

Corruption

5. Helen Jones (Warrington North) (Lab): What recent representations he has received on the effects of corruption on the economies of developing countries. [49665]

6. Greg Mulholland (Leeds North West) (LD): What recent representations he has received on the effects of corruption on the economies of developing countries. [49666]

The Minister of State, Department for International Development (Mr Alan Duncan): My ministerial colleagues and I have frequent meetings with non-governmental organisations and others who stress the importance of tackling corruption. Corruption threatens economic growth in developing countries, wastes resources and deters investment. The coalition Government will not tolerate corruption and will do their utmost in all their development programmes to eliminate it.

Helen Jones: I am grateful to the Minister for that reply. We welcome the publication of guidelines on the Bribery Act, for which organisations such as the Catholic Fund for Overseas Development have campaigned for some time, but will he tell the House how he expects the Act to be properly implemented given that the Serious Fraud Office is facing 50% cuts and many of its members have resigned, including the head of anti-corruption? What discussions has the Minister had with his colleagues in the Ministry of Justice about this?

Mr Duncan: I am sure that the hon. Lady appreciates that that is primarily a matter for the Treasury rather than the Department for International Development. We believe that corruption is bad for development, bad for poor people and bad for business, and today's written ministerial statement lays out concrete guidance for the implementation of the Bribery Act to which we look forward.

Greg Mulholland: I, too, welcome the publication of the guidelines on the Bribery Act and wish to pay tribute to the leadership and personal commitment of the Secretary of State on this issue. However, I want to raise the issue of country-by-country reporting. The Government have said they are committed to that but that they will seek to do it through the EU. Can the

Minister say how the UK will provide the leadership to ensure that we have the same system as that in the United States?

Mr Duncan: The Chancellor of the Exchequer has already been driving this issue very hard and DFID fully supports a process that is designed to reach agreement at EU level. We want such legislation to require, for example, extractive industries to disclose all their payments to the host Government. That is a very important step and the impact of such measures is greatest when applied to the widest range of countries.

Rushanara Ali (Bethnal Green and Bow) (Lab): We all agree that tackling corruption is vital to ensuring that development delivers for the people who need it most. As the Government are finally publishing the guidelines on the Bribery Act, may I press the Minister again to assure us that the guidelines will not water down that important legislation?

Mr Duncan: On the contrary, the guidelines are very strict as the hon. Lady will see when she reads the written ministerial statement that is being published today.

World Bank Spring Meetings

7. Mr David Burrowes (Enfield, Southgate) (Con): What objectives he has set for the outcomes for his Department's policies of the World Bank spring meetings. [49667]

The Minister of State, Department for International Development (Mr Alan Duncan): My right hon. Friend the Secretary of State will personally attend the spring meetings. Our objective is, on the back of our support for the recent funding round for the World Bank's operations in poor countries, to take forward the outcome of our multilateral aid review and to ensure that the World Bank delivers more effectively in fragile and conflict-affected countries.

Mr Burrowes: I thank the Minister for that reply. The president of the World Bank has said:

"If you think about almost any poverty and development issue, you will find water at the center of it."

Last week, I, together with the Secretary of State and constituents, joined Tearfund and Water Aid's Westminster walk for water to highlight the lack of access of hundreds of millions of people to clean water and basic sanitation. Will the Minister stand on the shoulders of those who have walked for this great cause?

Mr Duncan: It is often a great advantage for me to stand on someone's shoulders! Much of the international effort on water and sanitation is indeed led by the World Bank which, over the past 10 years, has provided 113 million people with access to an improved water source, and 5.8 million with improved sanitation facilities. With our support and that of others, the World Bank will over the next three years provide up to 44 million people with improved access to water sources. As part of our partnership, we will press it to be even more effective in what it does.

Mr Speaker: As the Minister will understand, I know his feelings very well.

India

8. **Caroline Dinenage** (Gosport) (Con): What plans he has for future levels of development aid to India. [49668]

The Secretary of State for International Development (Mr Andrew Mitchell): I have frozen the India programme at current levels until 2015. Working closely with the Government of India, we will target our support on three of the poorest states. Our programme will change to reflect the importance of the role of the private sector.

Caroline Dinenage: Despite the undoubted poverty in India, the Indian Government have nuclear weapons, a space programme and their own programme for foreign aid. What can we do to encourage the Indian Government to spend more money on the things that they should spend money on, rather than on the things that they want?

Mr Mitchell: My hon. Friend is right to ask whether India has reached the point where we should end our development programme. Our judgment is that we are not there yet. As she said, India has more poor people than the whole of sub-Saharan Africa. It also has the biggest Government-led pro-poor, anti-poverty programme anywhere in the world, and through our programme, we are strongly encouraging more of the same.

Anas Sarwar (Glasgow Central) (Lab): Will the Secretary of State outline what representations he has received from the Indian Government about his plans to spend 50% of DFID money on the private sector? Is that an aspiration only for India, or is it for other developing countries too?

Mr Mitchell: As the hon. Gentleman will know, the nature of development is to try to move countries off welfare development on to pro-poor, private sector investment, as that is something that helps poor people to lift themselves out of poverty. The decisions on the Indian programme were made in close consultation with the Indian Government, and take account of our priorities and theirs as well.

Global Action Poverty Fund

9. **Fiona Bruce** (Congleton) (Con): How many organisations have (a) applied for and (b) been granted funds from his Department's global action poverty fund. [49669]

The Parliamentary Under-Secretary of State for International Development (Mr Stephen O'Brien): In the first round, 366 eligible applications for funding were received for the impact and innovation windows of the global poverty action fund. Announcements on the first successful projects will be made next month.

Fiona Bruce: I thank the Minister for his reply. Many small charities make a tremendous difference in developing countries, often with limited funding. What can be done to publicise the excellent opportunities for them to apply to the global poverty action fund?

Mr O'Brien: My hon. Friend is absolutely right. This is an opportunity for many small UK-based organisations that often struggle to access DFID funding. The best thing to do is to go to the DFID website, but I would also urge her and Members across the House to publicise through their constituency communications the fact that this is a real opportunity for their local charities to make a sensible application of that sort.

Mr Speaker: Order. There are far too many noisy private conversations in the Chamber. I remind colleagues that we are about to discuss humanitarian aid to the people of Libya.

Libya (Humanitarian Aid)

10. **Ann Clwyd** (Cynon Valley) (Lab): What humanitarian aid his Department is providing to the people of Libya. [49670]

The Secretary of State for International Development (Mr Andrew Mitchell): We have provided funding for the International Committee of the Red Cross, which has sent in three medical teams, medical supplies to treat 3,000 people affected by fighting, and essential relief items for up to 100,000 of the most vulnerable.

Ann Clwyd: As the Minister knows, a team from Amnesty International has been in Libya for the past month, and it has found evidence of hundreds of missing and detained people. Given Gaddafi's track record of extreme cruelty and torture, will he try to ensure that, at the very least, the ICRC has access to those detained people, so that news can be given to their families and they can have some contact with them?

Mr Mitchell: The right hon. Lady, who rightly always champions these issues, is entirely correct, which is why we and the United Nations have called strongly for unfettered access for humanitarian agencies. We continue to call for that access to be given throughout Libya.

Martin Horwood (Cheltenham) (LD): The potential humanitarian crisis in Libya is one of those that should be influenced by the important report by Lord Ashdown on our response to humanitarian crises. I know that the Secretary of State welcomed the publication of that review. Can he give us some idea of the time scale for a Government response to this important piece of work?

Mr Mitchell: My hon. Friend is right. Lord Ashdown's review of the way Britain conducts its humanitarian and emergency relief is outstanding. The Government will now consult and take six weeks to consider all the implications of that, and then report back to the House.

Naomi Long (Belfast East) (Alliance): Many sub-Saharan Africans work as migrant workers in Libya and do not have the resources or the opportunity to be repatriated. One of my constituents, who works with the Somali community in Belfast, has contacted me as members of that community are very concerned about their relatives. What are the international community and our Government doing to try to stem that aspect of the humanitarian crisis?

Mr Mitchell: The hon. Lady is right to identify the migrant communities leaving Libya, especially through Tunisia, as particularly vulnerable. That is why Britain, along with others, has flown tens of thousands of them home to their countries and families. Britain has been involved in repatriating more than 12,500.

Humanitarian Assistance (Libyan Borders)

11. David Morris (Morecambe and Lunesdale) (Con): What recent assessment he has made of the humanitarian situation on Libya's borders with Tunisia and Egypt. [49671]

13. Joseph Johnson (Orpington) (Con): What recent assessment he has made of the humanitarian situation on Libya's borders with Tunisia and Egypt. [49673]

The Secretary of State for International Development (Mr Andrew Mitchell): More than 350,000 people have crossed the Libyan borders since the crisis began. Early action by Britain and others has ensured that a logistical crisis has not, so far at least, developed into a humanitarian emergency.

David Morris: I thank my right hon. Friend for the work that he has done so far on the issue. Obviously, it is not for me to remind him that the eyes of the world are on that region, and that we must get it right for the people there.

Mr Mitchell: My hon. Friend is entirely correct. Britain was one of the first countries to provide blankets and tents for those who were caught out in the open on the borders. Following that, as I said in answer to the previous question, we were at the forefront of the international community in providing flights to repatriate migrant workers from both borders.

Joseph Johnson: One of the biggest challenges facing Egypt's transition to democracy is the fragile state of its economy, with capital rapidly leaving the country. Can the Secretary of State please say what he will do to stop the additional pressure on the Egyptian economy from the influx of refugees from Libya, which is draining it of remittances and pushing up already high unemployment?

Mr Mitchell: My hon. Friend is right to identify a most important issue. I have made clear Britain's significant contribution to ensuring that migrants are flown home. On the other points that he mentioned, some of that is a matter for the Paris Club of creditors, the other international financial institutions and the significant funding available from the European Union through the neighbourhood funds.

Yemen

12. Keith Vaz (Leicester East) (Lab): What discussions he has had with his EU and UN counterparts on the development implications of the state of emergency in Yemen. [49672]

The Minister of State, Department for International Development (Mr Alan Duncan): We are in close contact with EU and UN counterparts. Recent instability is limiting the ability of DFID and other donors to run

development programmes in Yemen. DFID is continuing to support the social fund for development which helps low-income groups to secure basic services such as health, education and water. We are also supporting humanitarian contingency plans. We do not provide any money directly to the Government of Yemen.

Keith Vaz: I thank the Minister for his answer. As he knows, a state of emergency was declared in Yemen last week. As it remains one of the poorest countries on earth, it is essential that the excellent work that has been undertaken by the Government through the development programme continues. Can the Minister ensure that, subject to the security of people there, this work will continue?

Mr Duncan: We share the right hon. Gentleman's objectives in trying to deliver assistance wherever we possibly can, which we are continuing to do through the social fund for development, which is not Government-run. We have, however, had to withdraw our DFID staff from Sana'a given the security situation, but we remain committed to doing everything we possibly can to help the people of Yemen once the security position and the political position become clearer and appropriate.

Tax Avoidance (UK Companies)

14. Katy Clark (North Ayrshire and Arran) (Lab): What recent representations he has received on the effect on the economies of developing countries of the tax avoidance practices of UK companies. [49674]

The Parliamentary Under-Secretary of State for International Development (Mr Stephen O'Brien): Ministers discuss taxation and development with various parties, with the Exchequer Secretary to the Treasury most recently meeting Christian Aid on 8 March. Discussions on protecting developing countries' tax bases also take place in the OECD tax and development task force and the G20 development working group.

Katy Clark: The Minister will be aware that developing countries lose more through the tax avoidance of multinationals than they receive in aid each year. The Business Secretary has in the past supported country-by-country reporting of both profits and tax paid. Is that something the Minister would consider?

Mr O'Brien: I can certainly confirm that we expect all companies and individuals to pay the tax they owe in the countries where it falls due. There is a lot of work now going on, particularly with the G20 development action plan and the global forum on tax transparency, precisely to address the issues that the hon. Lady rightly highlights, and which we must all seek to find the most effective ways of tackling.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [49646] Jackie Doyle-Price (Thurrock) (Con): If he will list his official engagements for Wednesday 30 March.

The Prime Minister (Mr David Cameron): I am sure that the whole House will wish to join me in paying tribute to Major Matthew Collins and Lance Sergeant Mark Burgan from 1st Battalion the Irish Guards. They died in Afghanistan last Wednesday after their vehicle was caught in a blast from an improvised explosive device. They were both hugely respected, passionate and dedicated soldiers, and they will be greatly missed. Our thoughts and deepest condolences should be with their families, friends and colleagues.

This morning I had meetings with ministerial colleagues and others, and further to my duties in this House I shall have further such meetings later today.

Jackie Doyle-Price: I pay tribute to our fallen heroes, and I am sure that I speak for many in the House when I say that we have to remember the debts we owe our brave armed forces, particularly at this time.

Is the Prime Minister aware that 14 Opposition Members signed an early-day motion congratulating UK Uncut, despite that organisation's refusal to condemn Saturday's violence? Will he join me in urging those Members to withdraw their names?

The Prime Minister: I thank my hon. Friend for her question. First of all, we should be absolutely clear that the scenes in central London of property, shops, banks and livelihoods being destroyed were completely and utterly unacceptable. The police should have our full support for the way they policed the march and the action they took. I think that it is important for people to understand that UK Uncut refused to condemn this violence and Opposition Members should remove their names from the early-day motion.

Edward Miliband (Doncaster North) (Lab): I join the Prime Minister in paying tribute to Major Matthew Collins and Lance Sergeant Mark Burgan, who died in Afghanistan. They showed enormous bravery and courage, and all our thoughts are with their family and friends.

May I start by asking the Prime Minister about the ongoing situation in Libya? In particular, will he tell the House what his policy is on arming the rebels?

The Prime Minister: I thank the right hon. Gentleman for his question. Before starting, perhaps on behalf of everyone in the House, I congratulate him and Justine on the happy news of their forthcoming wedding and, along with everyone, wish them a long and happy life together.

I can report that the situation on the ground is extremely fluid. There is no doubt in anyone's mind that the ceasefire is still being breached, and it is absolutely right that we keep up our pressure under UN Security Council resolution 1973. I can confirm to the House that the coalition took action yesterday against regime forces harassing civilian vessels trying to get into Misrata. Yesterday and overnight the RAF flew 24 sorties, and Tornado aircraft destroyed artillery and an armoured fighting vehicle near Sirte.

The right hon. Gentleman asks about arming the rebels. I have said before in this House that we must do everything to comply with both Security Council resolutions. As I told the House, the legal position is clear—the arms embargo applies to the whole territory of Libya—but at the same time UNSCR 1973 allows “all necessary

measures” to protect civilians and civilian populated areas, and our view is that that would not necessarily rule out the provision of assistance to those protecting civilians in certain circumstances. As I have told the House before, we do not rule it out, but we have not taken the decision to do so.

Edward Miliband: I thank the Prime Minister for that reply and am sure that the matter will be explored further in the Foreign Secretary's statement at 12.30 pm. I also thank him, and indeed all Members, for their kind wishes on my forthcoming wedding, which I am very much looking forward to. I might have to come to him in the next couple of months for advice, because I know that he knows how to organise memorable stag nights.

Let me turn to a different issue: tuition fees. The Prime Minister said that universities will charge £9,000 in tuition fees only in exceptional circumstances. How many of the 23 universities that have announced their plans are planning to charge £9,000?

The Prime Minister: I am sure that there will be a free exchange of advice. When I was Leader of the Opposition, I would have done anything for a honeymoon, and the right hon. Gentleman probably feels the same way. However, we wish him well.

On tuition fees, the point about the £9,000 is well made. Universities can charge £9,000 only if they go through a number of steps to prove that they really are improving access to universities. I do not have the figures available, but I am very happy to give them to him when I do.

Edward Miliband: This is an important point, because when the Prime Minister was selling his tuition fees policy he reassured people that there would be a basic threshold of £6,000, but that “in exceptional circumstances” some universities would be allowed to charge £9,000. Of the 23 universities that have announced their fees, 18—more than 80%—plan to charge £9,000. It is not the exception; it is the rule. I am afraid—not for the first time—that this policy has not been implemented competently. The next problem he faces with this policy is that it will cost the Treasury more money to fund the loans. Will he guarantee that that money will not come from university budgets or through a reduction in student numbers?

The Prime Minister: It is worth reminding the House that university tuition fees were first introduced by the Labour party. There are two important points about this threshold. First, each university will have to spend £900 per place on access requirements. Secondly, the Office for Fair Access will decide whether universities can go to that £9,000 threshold. Very tough rules have been published and placed in the House for people to see. On the additional money that will go into higher education, the right hon. Gentleman is absolutely right: because of the system we are introducing, we will be spending more overall on universities. However, the key thing is that because of the reductions in spending we are having to make elsewhere, this is the only way to guarantee that we have well-funded universities, well-stocked libraries, well-paid lecturers and good universities to take on the world.

Edward Miliband: I asked a very simple question: where will the money come from, given that the Government have miscalculated the level of tuition fees? Universities up and down the country are worried that the Prime Minister does not think that an 80% cut in the teaching budget is enough and that he will come back for more.

Policing is another area of public services that I do not think the Government are getting quite right. The police Minister was asked eight times on the radio this morning whether the number of front-line police officers would fall. May I ask the Prime Minister whether there will be fewer front-line police officers in the years ahead?

The Prime Minister: According to Home Office statistics, if all forces achieve the current best average for visibility and availability, it would increase the number of officers available by 8,000.

Edward Miliband: I do not think that people will understand what that answer was supposed to mean. The Prime Minister should listen to the chief inspector of Lancashire police:

"We cannot leave the front line untouched".

That is because of the scale of the cuts. Two thousand police officers are being forced out under the A19 rules. Sergeant Dave Hewitt:

"I will be walking away from the force, unfortunately not through choice... As far as I'm concerned I'm still young and I wanted to continue being a neighbourhood sergeant."

That sounds like a front-line police officer to me. May I ask the Prime Minister the same question? Does he expect there to be fewer front-line police officers in the years ahead? Yes or no?

The Prime Minister: There is no reason for there to be fewer front-line officers. Both parties agree that the police budget has to be cut. I heard the shadow Chancellor on the Marr programme say that

"we would have made cuts to policing".

The Labour party would have cut policing, and we have to do so, so the question is: how do we make those cuts? We say that we have to freeze police pay for two years, reform police allowances and cut their paperwork. The Labour party opposes all those things, so it would have to make deeper cuts in police numbers. That is the case.

Edward Miliband: It is very simple: we proposed 12% cuts in the policing budget; the Prime Minister is proposing 20% cuts. Her Majesty's inspectorate of constabulary said that if we go beyond 12%, that is likely to lead to cuts in front-line officers, which is exactly what is happening up and down this country. The truth is that he used to claim that the Conservatives were the party of law and order, but now he is cutting the number of police officers up and down the country. It is the wrong choice for the police, the wrong choice for communities and the wrong choice for the country as well.

The Prime Minister: Not for the first time, the right hon. Gentleman is completely wrong. The difference between a 12% reduction and what we are proposing is the freeze in police pay and the reform of police allowances, which he refuses to support. Has anyone seen a more ridiculous spectacle than the right hon. Gentleman marching against the cuts that his Government caused? I know Martin Luther King said he had a dream—I think it is time the right hon. Gentleman woke up.

Sarah Newton (Truro and Falmouth) (Con): From his visits to Cornwall, the Prime Minister will appreciate the high regard for the coastguard service there and around the UK. I am reassured that the Under-Secretary of State for Transport, my hon. Friend the Member for Hemel Hempstead (Mike Penning), has said that the current modernisation proposals are not a done deal. Does the Prime Minister agree that it is very important to get the plans right?

The Prime Minister: I absolutely agree with my hon. Friend. She is a Cornish MP, and I am sure that she and the whole of the House would want me to say how much we feel for our colleague, my hon. Friend the Member for South East Cornwall (Sheryll Murray), who lost her husband in a tragic fishing accident. That demonstrates the extraordinary risks that people in coastal communities take, and our hearts should go out to her and her family.

We want to make changes only if they improve the coastguard support that people in fishing communities and elsewhere get. That is what the reform is about: trying to ensure that the real impetus is on the front line. If that is not the case, we will obviously have to reconsider the reforms, and that is why they are being reviewed. What I would say to everyone who cares about this issue is: work with us to make sure we get the maximum amount in those lifeboats and other ways of helping our fishing and other communities.

Q2. (49647) Ms Margaret Ritchie (South Down) (SDLP): Does the Prime Minister acknowledge the serious concerns that have been raised about the adverse implications and complications for cancer patients under the proposals in the Welfare Reform Bill of replacing disability living allowance with personal independence payments? Will he therefore investigate with Ministers the case for creating a straightforward cancer care and support allowance, which would be available to those who have been diagnosed with cancer and are either undergoing or awaiting treatment?

The Prime Minister: The hon. Lady asks an important question. We will look carefully, as the Government medical adviser is, at DLA and its interaction with people with cancer. However, I think that everyone, in all parts of the House, should recognise that DLA does need reform. The fact is that there are 130,000 people on DLA who have not had a claim revised at all since the benefit was introduced in 1992. There are 750,000 people who have had the same claim for 10 years and no contact from the Department. There are 21,000 people of working age getting DLA because they are on drink or drugs, so reform really is necessary, but making sure that we assess people with cancer properly is definitely part of that reform.

Dan Byles (North Warwickshire) (Con): May I congratulate the Prime Minister on what appears to have been a successful London conference on Libya? What measures are being taken to ensure that we can expand the coalition of countries taking part in action to include regional players such as Qatar and others, which is vital if we are to maintain regional support?

The Prime Minister: I thank my hon. Friend for his question: it was a successful conference yesterday, and my right hon. Friend the Foreign Secretary will make

a statement about it later. There were more than 40 delegations, widespread representation from the Islamic world and a common message from everyone at the conference about broadening and deepening the alliance, and enforcing UN Security Council resolution 1973. There was also new support, with equipment, including from the Swedes, who are making eight aircraft available. We are on track, and there is very strong support for what is being done, but we need to keep up the support, particularly in the Arab world.

Q3. [49648] Ian Austin (Dudley North) (Lab): Families who have lost their jobs have been able to apply for emergency loans to tide them over, so why, when unemployment is at a 17-year high and is predicted to get worse, does information leaked to me show that the Government plan to cut the fund tomorrow, and why, just like last week's cuts to winter fuel payments, was this not announced in the Budget?

The Prime Minister: We are putting in place the biggest and boldest programme since the great depression to help unemployed people. That is what the Work programme is all about, and the hon. Gentleman should work with us to make sure that it can help everyone, including those in his constituency.

Q4. [49649] Peter Aldous (Waveney) (Con): Taking into account the high levels of deprivation in Lowestoft in my constituency, and in Great Yarmouth, coupled with the unrivalled potential of the East Anglian coast for creating jobs in the offshore energy sector, does the Prime Minister agree that those prospects would be significantly boosted by the creation of an enterprise zone?

The Prime Minister: My hon. Friend makes a very articulate case for an enterprise zone. I am delighted that we have introduced 21 enterprise zones, and clearly there is a case that colleagues can make for more. There are real strengths in his area in terms of green-tech jobs, which I know he supports, and I am sure that the Chancellor will have heard his message.

Mr Nigel Dodds (Belfast North) (DUP): Dozens of families in my constituency were put out of their homes overnight and remain out of their homes as a result of terrorist activity, the latest in a long line of such incidents in Northern Ireland recently. Will the Prime Minister join me in condemning that terrorist activity? As well as supporting the police and the Army with resources, does he agree that, as we approach the Assembly elections in a few weeks' time and mark the first full term of uninterrupted, stable devolution in Northern Ireland for generations, the best answer that we can give to such people is to reject them, reject their policies, reject their wanting to drag us back to the past and to keep Northern Ireland moving forward?

The Prime Minister: The right hon. Gentleman speaks with support from all parts of the House for what he says—with both points that he makes. First, we have to be eternally vigilant against terrorists in Northern Ireland and elsewhere; we should do that, and he knows that the British Government will give every support that they can to the Northern Ireland Executive. Secondly, the best proof of success, and that there is a non-violent

path, is to show the success of our democratic institutions, which he, his colleagues and all parties in Northern Ireland are doing.

Q5. [49650] Greg Mulholland (Leeds North West) (LD): Yesterday, councillors on the Yorkshire and the Humber joint health overview and scrutiny committee were told by senior doctors that, if Leeds loses its children's heart surgery unit, ambulance transfers will be unsafe and could prove fatal. Given that the report into the review of children's heart units—commissioned by the previous Government, of course—contains factual errors, and given that there is a question over the impartiality of the board that made the final recommendations, will the Prime Minister now agree to halt the process? If not, does he think that the only option is judicial review?

The Prime Minister: The hon. Gentleman is absolutely right to speak up for his constituency, which could be affected by that review, as indeed could mine. We want to make sure that the review is as transparent as possible and involved and engaged with parents and with everyone in communities. There are many times, however, when rather bogus arguments are put forward for specialisation in the NHS, but, in a really complicated case such as child heart surgery, there are cases for specialisation, and, as passionately as we all want to defend our own hospitals, we have to think about clinical safety and what is best for children. He is absolutely right to speak up for his hospital, as I am for the one that serves my constituency, but we have to have some understanding about the complexity of what we are dealing with.

Geraint Davies (Swansea West) (Lab/Co-op): Does the Prime Minister understand that unilaterally setting the minimum price for carbon in Britain will drive out inward investors such as Tata Steel in Swansea? Carbon trading by its very nature requires a common price, not a unilateral one, so will he suspend that price and send his Chancellor into the European Union to negotiate a common price and ensure that we have a level playing field for inward investment?

The Prime Minister: I respect the hon. Gentleman's views, but I do not agree with him. I think the steps taken in the Budget are right, and we should judge companies such as Tata by the investments that they make. I have been hugely heartened by the fact that Tata is putting more investment into the UK. Its Redcar plant closed under the previous Government, but it is going to reopen in part because of the investment that Tata is making. I will of course listen to the hon. Gentleman, but I think that Ratan Tata knows a bit more about his business than he does.

Q6. [49651] Mr David Burrowes (Enfield, Southgate) (Con): My constituent Geoff Jacobs is in Parliament for The Prostate Cancer Charity's action day to remind us that prostate cancer is the most common cancer in men. With only three out of 10 men being aware of the prostate-specific antigen blood test, and with 10,000 men each year dying of the disease, does the Prime Minister have a dream—of better outcomes for the increasing investment in the NHS?

The Prime Minister: My hon. Friend is absolutely right to raise this issue. He is right that it is a dream we can have, but the fact that prostate cancer is such a massive killer is a nightmare for many families and many people in this country, and we really do need to do something about it. That means better early diagnosis, better testing, and better access to drugs. All those things are contained in our plans for the NHS.

Q7. [49652] Dr Alasdair McDonnell (Belfast South) (SDLP): The Prime Minister will be aware of the large number of women across the UK, including a number in my constituency, who are in their late 50s—58 or 59—and on low incomes, and he will be aware that speeding up the equalisation of the state pension age will affect some 2.9 million of them, with many having to wait two years and, as a result, lose up to £10,000. These are usually people on low incomes and in marginalised economies. Does the Prime Minister intend to put in place any measures to cushion the severe effects on these people on low incomes and their stretched financial circumstances?

The Prime Minister: The hon. Gentleman makes an important point. Of course, the equalisation of the pension age does ask people to work for longer in their lives, and it is a big change. But I think that because people are living longer, it is right that we make this change to make sure we can have a good, strong and affordable pension system. The biggest thing we are doing is linking the pension to earnings rather than prices, which means that someone retiring today will be getting £15,000 more over the next period than they would have done under the old plans—so one is partly to pay for the other.

Q8. [49653] Robert Halfon (Harlow) (Con): The last Government left us with one in five young people unemployed. Does my right hon. Friend agree that the new university technical colleges will help to transform the lives of young people and are a matter of social justice as well as economic efficiency? Will he support Lord Baker in supporting the strong bid of Harlow college to have a UTC so that Harlow—

Mr Speaker: Order. We get the gist of it.

The Prime Minister: My hon. Friend is absolutely right to speak up for Harlow and to speak up for university technical colleges, which I think are going to be a great innovation in our country. I pay tribute to Lord Baker for the work he is doing, and to my right hon. Friend the Education Secretary and to the Chancellor, who put extra money in the Budget so that 21 of these colleges can open in our country, including, I hope, in Harlow.

Chris Leslie (Nottingham East) (Lab/Co-op): The coalition agreement promised that the NHS budget would increase in real terms each year. Since the spending review, inflation has spiralled very high and we now face a real-terms cut of £1 billion for the NHS. What is the Prime Minister going to do about that?

The Prime Minister: We said that NHS spending would increase in real terms each year, and it will.

Q9. [49654] Mr David Amess (Southend West) (Con): As we approach Good Friday, we might reflect on the role of Pontius Pilate. With that in mind, will my right hon. Friend reassure the House that he would never address crowds on Hyde park corner protesting about reductions in spending if he had been responsible for the economic mess that was the cause of the reductions in the first place?

The Prime Minister: My hon. Friend puts it extremely well. Far from standing on the shoulders of the suffragettes, or whatever nonsense we heard at the weekend, the fact is that the Leader of the Opposition is sitting in a great big pool of debt that was his creation, and he has got absolutely no idea what to do about it.

Q15. [49660] Helen Jones (Warrington North) (Lab): In 2009, the Prime Minister promised families with disabled children, in his own words,

“a crack team of medical experts—doctor, nurse, physio—” to

“act as a one-stop-shop to assess families and get them the help they need.”

Can he tell the House how many of these teams have been set up?

The Prime Minister: What I can tell the hon. Lady is that it was very much something based on my own experience of having repeated assessments when you are trying to get help, benefits and social work, and in the special educational needs Green Paper that precise idea is rapidly becoming Government policy.

Q10. [49655] Caroline Dinenage (Gosport) (Con): Despite some unhelpful local party political mischief-making about the future of our valuable Sure Start services, will the Prime Minister join me in welcoming Hampshire county council's proposals to protect front-line Sure Start services while saving public money by cutting back-office costs?

The Prime Minister: My hon. Friend is absolutely right. The key thing is that the head of Sure Start services has herself said that there is money available in the Budget to keep Sure Start open. That money is not being reduced.

Chris Williamson (Derby North) (Lab): On 24 March last year, six weeks before the general election, the *Derby Telegraph* reported that the Prime Minister had accused me of distributing inaccurate information about Conservative plans for the winter fuel payment. It turns out that I was right and he was wrong, so, unless he is going to overrule his Chancellor, will he take this opportunity to apologise to the millions of pensioners who rely on the winter fuel allowance and to me for his unfair censure?

The Prime Minister: I cannot believe that I accused the hon. Gentleman of anything because I had absolutely no idea who he was. While we are at it, we promised that we would keep the winter fuel payments and we have kept the winter fuel payments. We promised that we would keep the cold weather payments and we have kept the cold weather payments. We promised to uprate the pension in line with earnings and we increased the

earnings link. We said that we would keep the bus passes and the TV licences—we did all those things. Yes, he did mislead his electors at the election.

Q11. [49656] Tony Baldry (Banbury) (Con): Queen's award-winning Norbar Torque, rally-winning Prodrive and global award-winning CTG—Crompton Technology Group—are all manufacturing businesses based in Banbury. They are all doing so well that they want to move into larger premises, but they also have immediate skill vacancies that they need to fill. What collectively can we do to try to ensure that people who are unemployed elsewhere in the country and who have skills know of the skills they—

Mr Speaker: Order. I am grateful to the hon. Gentleman, but we do have other Members to accommodate.

The Prime Minister: My hon. Friend is right to raise this issue and the reaction of the Opposition shows that they are not interested in manufacturing, skills, technology and ensuring that we expand those things. We will have 250,000 apprenticeships over this Parliament, the university technical colleges will make a difference and it is very good news to hear about the expansion of manufacturing in his constituency.

Q12. [49657] Yvonne Fovargue (Makerfield) (Lab): The Welfare Reform Bill proposes to introduce a £50 civil penalty for claimants who make a mistake in completing the application form. At the same time, advice agencies have stated that they are facing a perfect storm of funding cuts and many fear that they will not be in existence to help the vulnerable in completing the forms. Does the Prime Minister think that this is fair?

The Prime Minister: I would make two points to the hon. Lady. First, it is fair to say that the Government are not cutting the money that we put into citizens advice bureaux, for exactly the reason she gives. I urge all councils to do what my local council has done and find savings in bureaucracy to ensure that they are putting money into citizens advice bureaux. As regards her point about fines for people who misclaim benefits, I am afraid that I think that it is right. Far too much in our system is lost from fraud and error and I do not think that taxpayers go to work, and work hard, in order to fund benefits to which people are not entitled.

Sir Menzies Campbell (North East Fife) (LD): May I urge my right hon. Friend to display extreme caution in the supply of arms to the so-called rebels in Libya? The legal position is by no means clear, as his previous answer to the Leader of the Opposition made eloquently obvious. In addition, the political consequences of doing so, particularly among the nearly 40 countries that were represented at the successful conference in London yesterday, are very difficult to predict.

The Prime Minister: My right hon. and learned Friend is right to be cautious and sceptical and I think we should consider this decision with huge care. Although the legal position is clearer, there are some strong arguments like his to which we would have listen. Yesterday, however, I met Mr Jabril of the interim transitional national council and I was reassured to see that those people who are forming an alternative Government in Benghazi

want it to be interim and transitional. They are democrats, they are not tribal, and they want to see a future for the whole of Libya where the people have a choice in how they are governed. I was encouraged by what I heard.

Q13. [49658] Heidi Alexander (Lewisham East) (Lab): Last week, I had the privilege of meeting a group of 25 women studying English for speakers of other languages courses in Lewisham. They and I share the Prime Minister's desire that every migrant in the UK should speak the language of their new home. Given the Prime Minister's belief that the practical things can make a big difference to community cohesion, will he commit today to putting a stop to this Government's short-sighted cuts to English language courses?

The Prime Minister: We will have to take some difficult decisions over student numbers, and the priority should be to ensure that our universities can go on attracting the best and the brightest from around the world. *[Interruption.]* I will come on to the hon. Lady's point. That is why we have said that there should be a post-study work route. However, it does mean that we should be tough, particularly on those colleges that are not highly regarded. The fact is that over the last year, about 90,000 students were coming to colleges that did not have proper regard at all.

Q14. [49659] Fiona Bruce (Congleton) (Con): A multinational is applying to build an incinerator the size of a football pitch some 500 metres from the small market town of Middlewich in my constituency. There is no need for this provision; it will involve importing waste and it has been unanimously rejected by the local planning committee. Does the Prime Minister agree that the concerns of local people over the negative impact that it will have on their town should be afforded paramount importance when the proposal is considered on appeal?

The Prime Minister: I agree with my hon. Friend that local considerations should be taken into account. That is one reason why we have made the changes to the Infrastructure Planning Commission. It is important that local communities have their say, and she has put the case extremely strongly.

Joan Walley (Stoke-on-Trent North) (Lab): When all the local MPs met the North Staffordshire chamber of commerce last week, it asked us why north Staffordshire was not on the list to have a local enterprise zone. Does the Prime Minister understand the need for job creation in Stoke-on-Trent, and will he arrange for his colleagues in local government and at the Department for Business, Innovation and Skills to liaise with us and the Treasury to ensure that we get that investment when the new list is announced in July?

The Prime Minister: I completely understand the point that the hon. Lady makes, particularly in relation to Stoke, where the Potteries—*[Interruption.]* I wish that the shadow Chancellor would occasionally shut up and listen to the answer. *[Interruption.]*

Mr Speaker: Order. Other Members can now follow the Prime Minister's advice to the shadow Chancellor. We need a bit of order.

The Prime Minister: I may be alone in finding the shadow Chancellor the most annoying person in modern politics—[*Interruption.*] No, no. I have a feeling that the Leader of the Opposition will one day agree with me, but there we are.

Where were we? The Potteries, yes. Clearly, there are massive issues because of the decline of the Potteries. I completely understand the need for Stoke to have that support. It is very important that the hon. Member for Stoke-on-Trent North (Joan Walley) is working to bring together the Potteries communities, including MPs and the local enterprise partnership. I will certainly ask my right hon. Friend the Chancellor to look at whether it can be in the next lot of enterprise zones, because we want to help the Potteries communities she represents.

Malcolm Bruce (Gordon) (LD): In the light of the announcement by Statoil this week that it is cancelling £6 billion of investment in the North sea following the Budget, will the Prime Minister ensure that Ministers at the Treasury and the Department of Energy and Climate Change engage with the industry to explain how the field allowances might be adjusted to ensure that this valued investment goes ahead and that jobs are not lost?

The Prime Minister: I will certainly look carefully at the point that my right hon. Friend makes. The point that I would make about Statoil is that the regime in Norway has higher duties and taxes on petrol than the UK does. The key point is that when companies in the North sea made investment decisions, the oil price was about \$65 a barrel, and it is now about \$115 a barrel. I think that the break we are giving the motorist by cutting petrol tax—including for people in his constituency, many of whom rely on their cars—will be hugely welcome.

Mr Speaker: We come to the statement by the Foreign Secretary.

Chris Williamson rose—

Mr Speaker: Order. I say to the hon. Gentleman, who is a new Member, that points of order, without fail, come after statements. The hon. Gentleman—

Chris Williamson rose—

Mr Speaker: Order. The hon. Gentleman will have his opportunity at the appropriate time, but not at the inappropriate time.

Libya (London Conference)

12.33 pm

The Secretary of State for Foreign and Commonwealth Affairs (Mr William Hague): With permission, Mr Speaker, I will make a statement on the outcome of the London conference on Libya and related events.

I informed the House last Thursday that planning was under way to transfer coalition operations from US to NATO command and control. On Sunday, NATO allies decided to take on full responsibility for the implementation of all military aspects of Security Council resolution 1973, including the civilian protection mission, along with the no-fly zone and arms embargo operations which are now under NATO command. The transition to full NATO command is under way. The North Atlantic Council will provide executive political direction for the military operations, and is meeting later today. I hope the whole House will welcome the speed with which NATO has moved to put in place the planning and launch of those three demanding operations more quickly than was the case for Bosnia or Kosovo.

There are currently 16 nations contributing assets to coalition operations, including nations from the middle east region. Fifteen nations have now committed a total of nearly 350 aircraft, and vessels from 10 nations are supporting the arms embargo. Yesterday, Sweden announced that it would contribute eight fighter aircraft, and the United Arab Emirates publicly announced its contribution of 12 air defence fighters on Friday last week. The NATO Secretary-General has issued a request for further contributions, which we hope other countries will consider seriously.

UK forces have undertaken more than 160 aerial missions over Libya since operations began, in addition to missile strikes. We are continuing to target the military hardware that Gaddafi is using to kill his own people. Over the weekend, in addition to patrolling the no-fly zone, RAF aircraft destroyed a number of main battle tanks and armoured vehicles near Misrata. The RAF also took part in a successful coalition mission against an ammunition storage facility store near Sabha early on Monday morning.

As evidence of the care that we are taking to minimise the risk of civilian casualties, yesterday I received a letter from the local council in Misrata thanking Britain and our allies for the targeted strikes and the enforcement of the no-fly zone, which are alleviating pressure on the people of Misrata. The letter stated that the local council could

"testify for the effectiveness and the accuracy of those strikes and confirm that there has been not a single case of civilian injury let alone death in and around Misrata"

as a result of coalition activity. That is testament to the skill, experience and precision of our armed forces, and the whole House will join me in paying tribute to them. Our country literally could not do without them for a single day, and they are doing a great job in support of the civilian population of Libya.

The situation on the ground remains fluid. Regime forces have intensified their attacks, driving back opposition forces from ground that they had taken in recent days. Misrata also came under heavy attack yesterday, with further loss of civilian life, including children, from mortars, sniper fire and attacks on all sides from regime

tanks and personnel carriers. The Department for International Development has been involved in funding the successful provision of humanitarian assistance to the city, and we are urgently examining options for the provision of further assistance. One obstacle to humanitarian support for the people of Misrata has been regime vessels trying to blockade the port. Those vessels were attacked by coalition aircraft yesterday and four of them were sunk and one was beached.

To underline our grave concern at the regime's behaviour, I can announce to the House that we have today taken steps to expel five diplomats at the Libyan embassy in London, including the military attaché. The Government judged that were those individuals to remain in Britain, they could pose a threat to our security. We also remain strongly committed to supporting the International Criminal Court in its investigations into crimes in Libya and to ensuring that there is no impunity for barbaric acts against the Libyan people.

In my last statement to the House, I confirmed that I had invited the envoy of the interim transitional national council, Mahmoud Jibril, to visit London. He did so yesterday, for meetings with me and with the Prime Minister and to launch the council's vision for a democratic Libya. I will place a copy of that document in the Library of the House.

A British diplomatic mission also visited Benghazi on Monday and Tuesday this week, headed by a senior British diplomat, Christopher Prentice. The purpose of the mission was to meet key Libyan opposition groups in eastern Libya, including the ITNC and its military council; to gain a greater insight into the political and security situation; to explain British Government policies towards Libya; and to discuss future governance arrangements in Libya, including identifying what Britain can do to help. The team met the president of the ITNC, Mustafa al-Jalil, among others. It has now left Libya, and further missions will follow shortly.

Yesterday, delegations including more than 30 Foreign Ministers, the UN Secretary-General and representatives of the Arab League, the European Union, NATO and the Organisation of the Islamic Conference met in London. Our Government went into the conference with three objectives, all of which were met. The first was to strengthen and broaden the international coalition committed to implementing Security Council resolutions 1970 and 1973. This was achieved. Many more countries were involved in the conference and supporting our objectives than at the time of the Paris summit 11 days ago.

Secondly, we aimed to focus attention on the delivery of urgent humanitarian assistance to alleviate suffering in Misrata and at Libya's borders, and to plan for the needs of Libya after conflict. The conference agreed priorities for a humanitarian response and welcomed an offer from the UN Secretary-General to lead the co-ordination of humanitarian assistance and planning for longer-term stabilisation support. Turkey, other key regional players and international agencies offered to support that work and take it forward.

Contingency military planning also continues in the EU to enable support to humanitarian operations, if so requested by the UN Office for the Co-ordination of Humanitarian Affairs, as agreed at the European Council last Friday. It is right that we start planning now to support Libyans over the long term to build a peaceful and prosperous future.

Thirdly, we argued that the conference must agree the need for a political process, led by the Libyan people, that helps to create the conditions in which the people of Libya can choose their own future, supported by the international community. Military action is not an end in itself. The announcement of a political programme by the ITNC was an important first step in that process. The conference was also attended by the UN Secretary-General's special representative for Libya, Mr al-Khatib, who travelled to Libya last night. The conference agreed that Gaddafi has lost all legitimacy, and to continue efforts to isolate him and his regime by considering additional sanctions on individuals and companies associated with the regime.

We agreed to establish a Libya contact group to take that work forward. The contact group will provide leadership and overall political direction to the international effort to support Libya; act as a forum for co-ordinating international policy on Libya; and provide a focal point in the international community for contact with the Libyan parties. Qatar has agreed to convene the first meeting of the group, which we will co-chair. Thereafter, the chairmanship will rotate between the countries of the region and beyond it.

Security Council resolution 1973 laid out very clear conditions that the Gaddafi regime must meet, including the establishment of an immediate ceasefire, a halt to all attacks on civilians and full humanitarian access to those in need. Participants in the conference agreed to continue their efforts until all those conditions are fulfilled. The Libyan regime will be judged by its actions and not by its words.

The London conference showed that we are united in our aims—seeking a Libya that does not pose a threat to its own citizens or to the region, and working with the people of Libya as they choose their own way forward to a peaceful and stable future. It also demonstrated clear international support for the people of Libya. With that support, there is every prospect of focused and sustained assistance to the people of Libya as they seek to determine their own future.

Mr Douglas Alexander (Paisley and Renfrewshire South) (Lab): I thank the Foreign Secretary for his statement, although I regret that a copy of it was not made available timely ahead of Prime Minister's questions. None the less, I place on record my appreciation for the work of Foreign and Commonwealth Office Ministers and officials in facilitating yesterday's London meeting.

The meeting made progress on a number of fronts on which the Opposition had specifically sought action. The establishment of a friends of Libya contact group is something that I have advocated for some weeks, and I now welcome it. Let me re-state our support for the work of our armed forces—both the RAF and the Royal Navy—in implementing UN Security Council resolution 1973. I also join the participants in the summit in welcoming the UN Secretary-General's offer to lead the co-ordination of humanitarian assistance and planning for longer-term stabilisation support.

Although progress was made yesterday, comments from both inside and outside the conference have raised real questions for the Government. First, from the outset of this crisis, the Opposition have been keen that the Arab League and the African Union play a strong

role. The Arab League was an early supporter of a no-fly zone, and African members of the Security Council supported resolution 1973. There will therefore be concerns that Saudi Arabia failed to attend yesterday's conference, and although we welcome the presence of representatives of Tunisia and Morocco, there were few African states at the table and no representative of the African Union. Can the Foreign Secretary explain that and update the House on what work is being done to broaden and deepen the coalition of support for action beyond those who attended yesterday's conference?

Secondly, the question regarding the arming of rebels of the eastern part of Libya has two parts: would it be legal, and if it were, would it be advisable? Yesterday, the US Secretary of State, Hillary Clinton, said on the legality of arming the forces of eastern Libya:

"It is our interpretation that 1973 amended or overrode the absolute prohibition of arms to anyone in Libya so that there could be legitimate transfer of arms if a country were to choose to do that."

Two weeks ago, in a debate following the passage of resolution 1973, the Prime Minister was asked the same question about the resolution by the hon. Member for Beckenham (Bob Stewart). He replied that

"our legal understanding is that that arms embargo applies to the whole of Libya."—[Official Report, 18 March 2011; Vol. 525, c. 623.]

The summary legal memorandum that the Government provided to the House for the debate on United Nations Security Council resolution 1973 is silent on this question. Yesterday, the Foreign Secretary appeared to be moving closer to the US position, saying:

"Those resolutions in our view apply to the whole of Libya, although it is consistent with resolution 1973 to give people aid in order to defend themselves in particular circumstances."

Will he therefore give the House his view on the legality of arming anyone in Libya under the terms of both Security Council resolutions? Given the importance and significance of this issue, will he also undertake to update the summary legal memorandum and to place copies of it in the Library of the House of Commons, so as to set out definitively the Government's position on the interpretation of the Security Council resolutions?

The issue of the legality of arming the rebels sits alongside the issue of its advisability. NATO's Supreme Allied Commander Europe warned yesterday:

"We have seen flickers in the intelligence of potential Al Qaeda, Hezbollah".

This is therefore a pressing and urgent question for the Government. I hope that the Foreign Secretary will agree with me that, to date, the case has not been made on the advisability of taking this course of action. Of course we would all prefer a Libya without Gaddafi, but, given our lack of knowledge about some elements of the rebel forces, does he agree that we must proceed with very real caution on the question of armaments? Can he confirm that all efforts are being made to identify the risk of links to al-Qaeda? Further, can he confirm whether Libyan nationals, including from eastern Libya, have been involved in the insurgency that opposed our troops in Iraq or in the continuing conflict in Afghanistan?

The other question that has been raised in the past day is that of Gaddafi himself. The prosecutor of the International Criminal Court has said that he is "one hundred per cent" certain that his investigation will lead

[Mr Douglas Alexander]

to charges of crimes against humanity against Gaddafi and his regime. Yesterday, however, the Foreign Secretary's ministerial colleague, the Under-Secretary of State for Foreign and Commonwealth Affairs, the hon. Member for North East Bedfordshire (Alistair Burt), said that Britain

"would not stand in the way"

if Gaddafi were to leave the country. Can the Foreign Secretary set out the Government's position on whether they would now be prepared for Gaddafi's escape from international justice in order to prevent further bloodshed?

On 21 March, the Government received a specific mandate from the House for a specific mission in Libya, as set out in Security Council resolution 1973. I welcome the fact that post-conflict planning is now more firmly on the international agenda after yesterday's meeting, but may I take the Foreign Secretary back to what the US President said when resolution 1973 was passed? He said that the resolution

"authorizes the use of force with an explicit commitment to pursue all necessary measures to stop the killing, to include the enforcement of a no-fly zone over Libya. It also strengthens our sanctions and the enforcement of an arms embargo against the Qaddafi regime."

President Obama continued:

"The resolution that passed lays out very clear conditions that must be met. The United States, the United Kingdom, France, and Arab states agree that a cease-fire must be implemented immediately. That means all attacks against civilians must stop. Qaddafi must stop his troops from advancing on Benghazi, pull them back from Ajdabiya, Misrata, and Zawiya, and establish water, electricity and gas supplies to all areas. Humanitarian assistance must be allowed to reach the people of Libya."

Can the Foreign Secretary therefore confirm whether, in the view of the British Government, the achievement of those conditions set out by President Obama still represent the fulfilment of the mission? Hon. Members on both sides of the House would welcome a Libya free of Gaddafi's tyranny, but the consent of the international community—and the consent of the House—was given for a specific mission, with specific aims and limitations.

As I said at the outset of this crisis, the Opposition will provide support for the enforcement of the UN resolution and sustained scrutiny of its implementation. In that spirit, I ask the Foreign Secretary to provide greater clarity in his reply, particularly on the questions of the legality of arming the rebels, the character of some of the anti-Gaddafi forces, the role of the International Criminal Court and the limited nature of this mission.

Mr Hague: I thank the right hon. Gentleman for continuing the wide support for the idea of a contact group. It received unanimous support at the conference yesterday, which is why it was so easy to proceed with it and, indeed, with recognising the role of the UN Secretary-General in offering to lead the co-ordination of humanitarian assistance.

The right hon. Gentleman asked about the attendance or otherwise of the Arab League and the African Union. The Arab League was well represented at yesterday's meeting. The Secretary-General, Amr Moussa, was not able to come and he explained to me why he could not, but he sent his chef de cabinet, an ambassador, who made a powerful speech at the conference on the Arab

League's strong support for implementing the UN Security Council's resolutions and for the action taken so far. No one should be in any doubt about the position of the Arab League. It is true, of course, that the African Union did not attend; there were divisions within it over whether it should. We are in constant touch with the African Union and my right hon. Friend the Secretary of State for International Development is in almost daily touch with its chairman. I have had several conversations about this issue with President Museveni of Uganda. Clearly, the African Union does not have a united position, but we will invite it to engage with the contact group that we are establishing and we will keep our regular communication going.

On the question of arming the rebels, the Prime Minister made the position clear at Prime Minister's questions. We have said that everything we do must comply with the Security Council resolutions, which also relates to the right hon. Gentleman's last point. It is a point I make constantly—that everything we do must be consistent with those resolutions. It is acting strictly in accordance with UN resolutions that gives a legal, moral and international authority to our deeds, which has not, of course, always been there before. As I have already told the House, and as the Prime Minister said in the debate a couple of weeks ago, the legal position is that the arms embargo applies to the whole territory of Libya. At the same time, our legal advice is that resolution 1973 allows all necessary measures to protect civilians and civilian-populated areas and that this would not necessarily rule out the provision of assistance to those protecting civilians in certain circumstances. Clearly, there are differing views internationally about the legal position, but I have explained what is the view of the British Government. As the Prime Minister told the House, we do not rule it out, but we have not taken any decision to provide that assistance.

In response to my right hon. and learned Friend the Member for North East Fife (Sir Menzies Campbell), the Prime Minister also indicated at Prime Minister's questions that the Government would indeed proceed with caution on this subject, as the shadow Foreign Secretary asked us to do. Questions of advisability, as the right hon. Gentleman quite rightly says, are different from questions of legality. We will always be very conscious of that. Of course, if we changed our policy, we would certainly want to inform the House, but we are not currently engaged in any arming of the opposition or rebel forces.

Of course we want to know about any links with al-Qaeda, as we do about links with any organisations anywhere in the world, but given what we have seen of the interim transitional national council in Libya, I think it would be right to put the emphasis on the positive side, as the Prime Minister did earlier. From everything we saw from our meetings with members of the council yesterday and from telephone conversations I have had with other members, I believe it is sincere in its commitment to a pluralistic, open Libya. The council published yesterday what is in effect its manifesto, which states its commitment to freedom of expression and freedom of the media, to the development of political parties and civil society and so forth. I think we should welcome that and I think there is a genuine and strong desire in Libya among the opposition groups to bring those things about. It would give the wrong impression

of those groups, from everything we have seen and everything that our diplomat, Christopher Prentice, saw in Benghazi, to accentuate any allegations of links with other groups outside Libya rather than to accentuate those intentions that they clearly hold dear to their hearts.

The right hon. Gentleman asked about the International Criminal Court. I mentioned in my statement how strictly we uphold its work. The United Kingdom has always done so under successive Governments and it will continue to do so. That does not mean that we can control what happens to Colonel Gaddafi, but we are not proposing to grant him any exemption from the prosecutor of the International Criminal Court. That was something that we proposed should be part of UN resolution 1970.

The right hon. Gentleman asked about the conditions set by President Obama on behalf of the coalition when the military operations began. Yes, those conditions still apply—the conditions of a real ceasefire, not just a pretend ceasefire. It does not mean the regime sitting in the middle of a town like Misrata and still being engaged at close quarters with the civilian population it is trying to kill. Clearly, a credible ceasefire involves disengaging from those areas. Events have moved on since President Obama made his statement, which was about not advancing on Benghazi. Since then, that has become less relevant, although we do not know whether it will become relevant again. We understand and interpret the requirement for a ceasefire and an end to violence in terms of those general conditions, which involve disengagement in order to fulfil the UN resolution. That reinforces our continuing rigid approach to enforcing the UN resolution and to staying within the UN resolution. We must also keep the international unity and moral authority that our conduct of affairs so far has given us on this issue.

Sir Malcolm Rifkind (Kensington) (Con): May I strongly disagree with the shadow Foreign Secretary and welcome the statement by the American and British Governments that military supplies to the insurgents would be permissible under the UN resolution if that were appropriate to protect civilian-populated areas? Does my right hon. Friend agree that the physical safety of the people of Tripoli and other parts of Libya will be ensured only if there is a speedy end to this civil war leading to the departure of Gaddafi, and that that cannot be achieved by coalition air power alone, but only if the insurgents—they are no longer rebels, as there is no longer any legitimacy for the Government in Tripoli—are properly assisted to bring this war to an end as soon as possible so that a no-fly zone is no longer required?

Mr Hague: I can go so far with my right hon. and learned Friend. He is quite right about the utter absence of legitimacy for the Gaddafi regime now, and I accept his welcome for the statement of the legal position on the supply of arms that we have set out; the United States Government also provided their version of that position. Nevertheless, I underline what I said to the shadow Foreign Secretary—that questions of advisability and policy would have to be examined in this regard, not just questions of legality. One can make the argument that my right hon. and learned Friend makes, but one can also make the argument that introducing new weapons into a conflict can have unforeseeable and unknown

consequences both for the immediate future and for the longer term. Such considerations would have to be very carefully weighed before the Government changed their policy on this matter.

Mr Jack Straw (Blackburn) (Lab): May I reinforce the appreciation of my right hon. Friend the Member for Paisley and Renfrewshire South (Mr Alexander) for the Foreign Secretary by offering my congratulations to the right hon. Gentleman on the way in which he has handled this conference? The fact that the Foreign Secretary did it on an inclusive basis is, as I saw on a visit to Turkey last weekend, much acknowledged and appreciated in that country and across the region. With that in mind, I turn briefly to the issue of arms supplies to the rebels. First, does the right hon. Gentleman accept that, however interesting it is for us to debate the issue of legality, the decision about the legality of any such action and the interpretation of the dense texts of these resolutions is a matter for the Attorney-General and for him alone? Secondly, does he accept that if it is lawful, it becomes a matter of advisability, as he says, and that what is critical in all this is that in making any decisions, the international coalition—especially the support of the Muslim and Arab world—is paramount?

Mr Hague: Yes, I think that I can happily agree with all of what the right hon. Gentleman has said. Maintaining that breadth of international coalition is very important. We have said all along that the support of the Arab League and the participation of Arab nations—the Organisation of the Islamic Conference was represented strongly yesterday—were of huge importance, and they will continue to be of huge importance. We must not take actions that jeopardise that support.

I also strongly take the right hon. Gentleman's point about Turkey, which played a major role in our conference yesterday. I shall have further talks with the Turkish Foreign Minister this afternoon and with the Turkish Prime Minister tomorrow. The coalition Government continue to build the strongest possible bilateral relationship with Turkey, as we have done over the past 10 months.

Richard Ottaway (Croydon South) (Con): I congratulate the Foreign Secretary on a successful conference, which was an important milestone in allowing the Libyans to decide their own future. As for the arms embargo, does he agree that there is a big difference between arming the rebels to enable them to protect themselves, and arming the rebels to enable them to attack Gaddafi, which is tantamount to regime change?

Mr Hague: Certainly there would be a big difference between those positions. My hon. Friend should bear in mind what I said earlier, and what the Prime Minister said, about our interpretation of Security Council resolution 1973—that it does not necessarily rule out the provision of assistance for those protecting civilians in certain circumstances. This is very much about protecting civilians. It is not about weapons that would be used primarily for attack, and it is certainly not about a general arming of one side in the conflict. So yes, there is a clear distinction between those actions.

Mr Bob Ainsworth (Coventry North East) (Lab): As the Foreign Secretary has acknowledged, the issue of arming the insurgent groups has three dimensions. The

[Mr Bob Ainsworth]

first is legality, the second is our shallow knowledge of all the people involved in those insurgencies, and the third is the impact on the international community, which my right hon. Friend the Member for Paisley and Renfrewshire South (Mr Alexander) persuaded the Foreign Secretary to discuss. Can he give some indication of the feedback that he has received from different partners in this operation about their attitude to the arming of the insurgent groups?

Mr Hague: I agree that there are those three dimensions, but I believe that it is for other countries to state their positions. I do not think that it would be right for me to go through a checklist of countries and announce any attitudes that they have expressed to Her Majesty's Government in private—I do not think that that would be very diplomatic—and I therefore fear that I cannot give the right hon. Gentleman the information that he has requested. I can say, however, that although there is a variety of views on the issue, all the nations involved in the conference are of the same mind. That was made clear during the press conference that I held with the Prime Minister of Qatar last night. However those nations interpret the resolutions, it is not their policy at this moment to engage in arming particular groups in Libya. I believe that there is an international consensus on that.

Mr John Baron (Basildon and Billericay) (Con): Some of us remain of the view that the west's intervention is as much about regime change as it is about humanitarian aid. Will the Foreign Secretary make absolutely clear whether it is the Government's view that UN Security Council resolution 1973 would allow a no-fly zone, in effect, to follow the rebels should they wish to attack Tripoli, and also allow the west's fighter planes to hit Gaddafi's ground forces in Tripoli if that were to be the case?

Mr Hague: I disagree with some of my hon. Friend's assumptions. This is not a western intervention but the enforcement of a United Nations resolution for which African and Arab nations voted, and Arab nations are participating in the enforcement of that resolution. The no-fly zone applies to the whole of Libya, and it is in force over a very wide area of Libya. Of course that includes Tripoli, and will continue to include Tripoli whatever the circumstances on the ground. As I keep stressing, air strikes against ground forces of the regime have been and will continue to be used—in accordance with the UN resolution—on forces that are attacking, or can be used to threaten to attack, or pose a threat of attack, to civilian and populated areas.

Mike Gapes (Ilford South) (Lab/Co-op): Earlier this week the Prime Minister told us that the African Union would be represented at the London conference, although he did not know the individual concerned. The Foreign Secretary has referred to some internal difficulties in the African Union, but has said in earlier answers that it has a potential role in providing for a ceasefire or a peaceful solution. Can he tell us more about why the African Union did not attend, and when the British Government were informed that it would not do so?

Mr Hague: The position of the African Union on attendance changed several times during the days preceding the conference, owing to internal disagreements. Only at the last moment—the night before the conference, I believe—was it certain that the African Union would not attend. Nevertheless, as I said earlier, we are engaged in constant dialogue with the African Union, and it has an important role to play. We will continue that dialogue, and I hope that the African Union will join a contact group.

I do not think that the basis of the disagreements within the African Union comes as any surprise. Yesterday's conference expressed strong support for the implementation of the resolutions and for the actions that we are taking, including the military action, under operative paragraph 4 of resolution 1973. Some African nations find that difficult. Some of them have been the closest of all nations in the world to the Gaddafi regime, and it is not surprising that that creates some tensions in the African Union and makes it more difficult for it to engage in a conference of this kind.

Bob Stewart (Beckenham) (Con): Last week I had contact with someone who opposed Colonel Gaddafi in Tripoli. Having had some experience of what people such as the members of Colonel Gaddafi's security organisation may be doing, I am quite concerned about what is happening in the streets and alleys of Tripoli. Has my right hon. Friend any knowledge of what action Gaddafi is taking against likely opponents within Tripoli?

Mr Hague: My hon. Friend is right to raise those fears. A report produced yesterday by Amnesty International quotes its middle east and north Africa director as saying:

"It appears that there is a systematic policy to detain anyone suspected of opposition to Colonel al-Gaddafi's rule, hold them incommunicado, and transfer them to his strongholds in western Libya".

He is also quoted as saying:

"there is every reason to believe that these individuals are at serious risk of torture and ill-treatment."

Given the reports from Amnesty International and other reports that have appeared in the media, and the kind of things that have been communicated to my hon. Friend, I think we can be confident that this is a regime with absolutely no regard for human rights, for human life, or for the welfare of the people of its own country. That is why, in the eyes of virtually of the whole world, it has utterly lost its legitimacy.

Jeremy Corbyn (Islington North) (Lab): I am slightly concerned about the fact that the Foreign Secretary appears to be taking advice on human rights from the President of Uganda on behalf of the African Union, because Uganda's human rights record is, to say the least, questionable. Does the Foreign Secretary not acknowledge that we are now involved in a civil war? Anyone listening to his statement from outside will have recognised that Britain is supporting the insurgent forces in Libya.

Is there any endgame? Does the Foreign Secretary intend to send in ground forces? Does he intend to arm the insurgent forces? It seems to me that we are being increasingly sucked into a conflict with no obvious end

in sight other than a great deal of bloodshed. Can the Foreign Secretary say something more about diplomatic efforts to bring about an internal ceasefire and an internal settlement in Libya, rather than pouring in more and more arms and weapons?

Mr Hague: I assure the hon. Gentleman that I did not call President Museveni to ask for his advice on human rights. As I explained earlier, I called him to discuss the African Union's attendance at the London conference. The hon. Gentleman must not place a different interpretation on what I said. In fact, I must correct what he has said in a couple of respects. He ended his question by saying that we were pouring more arms into Libya, but it follows from everything that I have said so far that we are not pouring more arms into Libya.

The hon. Gentleman asked about the end of all this. Let us remember that the purpose of resolution 1973 is to protect civilian life, which is what we have been achieving. Had we not passed that resolution and acted on it quickly, the loss of civilian life would have been dramatically greater, and the humanitarian crisis with which we would now be dealing would also be dramatically greater. Even at this stage, the achievement of those things in the last 11 days is something that people of all points of view should be able to welcome. Even the hon. Gentleman might say a word of welcome about the way in which people's lives and human rights have been protected.

Martin Horwood (Cheltenham) (LD): I too congratulate the Foreign Secretary. Being a bit more of an optimist than the shadow Foreign Secretary, I strongly welcome the vision of a democratic Libya published by the interim transitional national council. Does the Foreign Secretary welcome in particular its commitment to intellectual and political pluralism, the rights and empowerment of women and the rights of minorities, and what practical steps are we taking to build the ITNC's capacity for democratic government?

Mr Hague: I certainly join my hon. Friend in welcoming that statement. It includes other provisions as well as those he mentions, and the ITNC has given much time and serious thought to it. It is not a rushed document: ITNC members have debated it among themselves and prepared it carefully. I encouraged them to publish it yesterday because I think it showed, alongside the London conference, that it is the people of Libya who will lead and decide their own future. It is a very encouraging document in that regard. Our diplomatic contact with the ITNC, including the visit of our diplomats there on Monday and Tuesday of this week, has included looking at how we can support it in developing capacity for, and ideas about, securing democracy and a free society in the future. Developing such links will be a prime objective of the further missions we are now planning to Benghazi.

Mr Dennis Skinner (Bolsover) (Lab): Why cannot the Government be clear about not rearming the insurgent groups in Libya now that the NATO commander has testified to the US Senate that he cannot rule out infiltration by al-Qaeda or other terrorist groups? As an historian, the Foreign Secretary knows that in the 1980s another ally—America—decided to arm Osama bin Laden to get the Soviets out of Afghanistan, and now British troops are dying on the mountains of Afghanistan because of that error. Don't repeat it.

Mr Hague: I shall put the hon. Gentleman down as being opposed to the arming of the rebels—but he must not get too excited about things that we have not done. Such questions of advisability are the very questions that would need to be assessed. As I have said, if we changed our policy on this we would say so to the House, and we would then be able to debate that. The hon. Gentleman is right that in history there are examples—more than the one example he gave—of weapons being given to people in good faith and then being used at a later stage for other purposes that their original owners had not desired. That is one of the considerations that have to be borne in mind.

Mrs Anne Main (St Albans) (Con): May I urge the Foreign Secretary to resist the siren calls of the shadow Foreign Secretary about looking at the backgrounds and links of the people operating in Libya as insurgents? Otherwise we shall be accused of picking favourites. I urge my right hon. Friend to make every effort to continue both his encouragement for democracy strengthening and our sitting on the sidelines, while also being vigilant about the human rights of the civilians in Libya.

Mr Hague: It is very important that it is the people of Libya who determine their own future. That is very clear, and my hon. Friend underlines the point. We are not trying to determine the future Government. It is clear that the ITNC has brought together a wide spread of groups and figures in the opposition and that they genuinely represent the opposition forces in Libya at present, but that is not to say that exactly that combination of people would turn out to be the future Government of a free Libya. As my hon. Friend says, we will not pick winners, but we will support an open process of political transition in Libya.

Steve McCabe (Birmingham, Selly Oak) (Lab): The Foreign Secretary presents quite an upbeat picture, but what assessment has he made of the Deputy Prime Minister's observation that the current action could well result in the creation of a hostile Islamist Government in Libya?

Mr Hague: It is very important that not only in Libya, but in north Africa as a whole, the UK and the European Union take the bold and ambitious approach that I described earlier, in order to act as a magnet for positive change—for civil society, open political systems, the building up of small and medium-sized enterprises, and all the other building blocks of democracy—but we cannot guarantee the outcome, of course. That is why we must make sure Europe provides a very big and effective magnet for those changes. If we fail to do that, not just Libya but any of the other countries in the region could become breeding grounds for terrorism and extremism. I think we should be on the optimistic side of this situation in which millions of people are seeking greater freedom, openness and democracy, but we should also be alert to the dangers if they do not succeed in getting those things.

Mr Edward Leigh (Gainsborough) (Con): I strongly agree with the shadow Foreign Secretary and his measured words, and urge extreme caution on my right hon. Friend. Would it not be a double win for al-Qaeda, and would we not start losing support in the Arab world, if

[Mr Edward Leigh]

we were seen to impose a solution on Libya and at the same time give arms to people who could prove to be Islamist insurgents in the future?

Mr Hague: I can assure my hon. Friend that we will not be engaged in imposing any solution on Libya. We will carry out necessary operations to implement the UN Security Council resolutions, but we are not in the business of imposing a solution, or a Government, on Libya. Indeed, if we were, we would lose that wider Arab and regional support, of whose importance he rightly reminds us.

Mr David Winnick (Walsall North) (Lab): Everyone would like to see the end of Gaddafi and his regime; that is not in question. It is a murderous regime, and has been for 42 years; that is not in doubt. However, has the Foreign Secretary noticed that there have been more critical voices today than at any time since the situation in Libya started? There are such critical voices both here and on the international scene because, despite what the Foreign Secretary has been telling us, there is a growing impression that the coalition forces are, in fact, involved in regime change, which is totally outside the terms of the resolution—and, indeed, outside international law.

Mr Hague: I would defy the hon. Gentleman to find any action taken by the coalition that is not in line with the UN Security Council resolutions. Everything we have done is in line with those resolutions. That was endorsed by everybody at the conference yesterday, and that will remain the case. The extreme care being taken to avoid civilian casualties is very clear, and a great contrast to the behaviour of the Gaddafi regime. It is important that we constantly underline these points in order to get that message across to the wider world, as well as in our own country, and the Government will continue to do so.

Jo Swinson (East Dunbartonshire) (LD): In the light of reports that rape is being used as a weapon of war by Gaddafi's forces, and the appalling recent incident of the arrest of a rape victim who dared to speak out, can the Foreign Secretary give us more information on the aspect of the political programme announced by the ITNC addressing how the voices of Libyan women will be heard and how they will be active participants, given that UN Security Council resolutions 1325 and 1880 make it very clear that involving both men and women is essential for successful post-conflict peace building?

Mr Hague: My hon. Friend draws attention to one very well-publicised case of recent days that has shocked the whole world, and there are reports that such treatment of women by the Gaddafi regime is much more widespread. That is another indication of the regime's absolute disregard for, and lack of any understanding of, human rights. As our hon. Friend the Member for Cheltenham (Martin Horwood) pointed out earlier, it is a good sign that a commitment to women's rights and the involvement of women is in the ITNC's vision for a democratic Libya. That is in a culture and a country that does not have a strong tradition of women in leadership roles, but let us hope that it will be a characteristic of a future freer Libya.

Mr Geoffrey Robinson (Coventry North West) (Lab): I thank the Foreign Secretary for coming to the House so promptly and giving such a full account of events at the London conference, as he promised he would. A growing impression is being given as a result of his and the Prime Minister's comments today—and Secretary of State Clinton's remarks yesterday—that we are edging our way towards arming the rebels in certain circumstances. What are those circumstances? Also, since the Foreign Secretary and the Prime Minister have said that that would, in the Government's view, be legal, presumably the Attorney-General has given a view on it. As far as many of us are concerned, either we must go back to the UN—I am sure the Foreign Secretary would not relish that prospect—and get a clarification of what has been called the dense text of the resolution or, at a minimum, the Attorney-General's legal opinion on the circumstances in which we might arm the rebels should be sought and published.

Mr Hague: The Government's understanding of the legal position is the one that I have set out: it lies in the exact words that I used earlier. The Prime Minister used the same words, and I used similar words on the television last night. That understanding is, of course, based on the Attorney-General's views. As an experienced Member and former Minister, the hon. Gentleman knows the position on Government publication of the legal advice, although he also knows that we have been more forthcoming about that than has sometimes been the case in the past. The advice that I have given to the House—the statement of the Government's position—is very much based on the legal advice and can be taken as the Government's definitive view on the matter.

Mr William Cash (Stone) (Con): Will the Foreign Secretary note that I am glad to hear that the Government have moved somewhat since my exchanges with the Prime Minister a week last Friday, when resolution 1973 was published? May I also say that we cannot have it both ways, and that the Sanctions Committee is also involved in this? Have any suggestions been made to approach it with a view to ensuring that what is done is legally done, in accordance with the best legal advice?

Mr Hague: As my hon. Friend will understand, we are not proposing, at this point, to change our policy on this. If we did so, we would want to be absolutely satisfied that that was not only advisable but legal. We would need to be sure of that and able to assure the House of it, so I will bear his advice in mind.

Caroline Lucas (Brighton, Pavilion) (Green): During the debate in this House on Monday of last week, Members on both sides expressed their concern about mission creep. That concern has been heightened by today's debate on potentially arming the rebels. Does the Foreign Secretary agree that if the impression is given that NATO-led forces are taking sides in what is becoming a civil war, that will be deeply counter-productive to the cause of a lasting peace?

Mr Hague: I will put that in a slightly different way, which is that it is very important to stick to the UN resolution. I think that that is at the heart of what the hon. Lady is saying, and it is very strongly the view of the Government. Although NATO is providing the

command and control, it is clear that Arab nations are also taking part in this operation and many others support it. After all, the whole of the Arab League, with only one dissenting voice, called for a no-fly zone and the protection of civilian areas in Libya. As I assured the House earlier, we will always act in a way that maintains that broad international support. We are certainly not engaged in any mission creep. We are engaged in the protection of civilian areas, the enforcement of a no-fly zone, the delivery of humanitarian aid and the enforcement of an arms embargo. That is what we set out to do, and that is what we are continuing to do.

James Morris (Halesowen and Rowley Regis) (Con): The Foreign Secretary talked about the British diplomatic mission to Benghazi. Does he agree that Britain can play a leading role there in building necessary links and thinking through issues associated with a post-conflict democratic settlement?

Mr Hague: Yes, we absolutely can. We have diplomats and development advisers who are very well placed to do that. As I have mentioned before, doing that across the whole of north Africa in a way that is not patronising to the countries involved but which brings genuine expertise in the building of civil society and political pluralism is an important part of our role.

Mr Mike Weir (Angus) (SNP): My colleagues and I fully support resolution 1973, but the reinterpretation of it in respect of arms to the rebels does suggest mission creep and is in danger of shattering the political consensus. It has been suggested in some quarters that the rebels have also asked for British troops to help with training. Can the Foreign Secretary give us a cast-iron assurance that there will be no British troops on the ground in Libya in any circumstances?

Mr Hague: Let me reassure the hon. Gentleman somewhat on that point. He knows that the UN resolution is clear that there must be no occupying force in Libya or any part of Libya. Let me give him further reassurance: in my meetings with the interim transitional national council, the opposition in Libya, they have not asked for our troops to go to train them, and we are not doing that at the moment. For the reasons that I gave in the House last week, I will not exclude our ever having any forces of any kind anywhere, in small numbers, on Libyan soil, because we have already had to do that: in order to rescue our nationals from the desert a month ago, we had to send the RAF and special forces into desert locations. Circumstances can arise in which such limited operations have to take place, but there will be no ground invasion of Libya and no occupation of Libya, and the request to which the hon. Gentleman refers certainly has not been made to me.

Keith Vaz (Leicester East) (Lab): At this important and successful conference what discussions took place about the situation in Yemen? As the Foreign Secretary knows, Libya has 6 million people whereas Yemen has 23 million people, and a state of emergency was declared there last week. When he last came to the Dispatch Box he promised to continue the dialogue with Yemen's president and people. Is there not a role for the international community to play to ensure that that continues?

Mr Hague: Yes. Yemen was not the subject of yesterday's conference, although, as the right hon. Gentleman can imagine, it was the subject of some of our discussions in the margins. Certainly Secretary of State Clinton and I discussed Yemen, among other subjects, in the morning. We continue to look to the various parties in Yemen to settle their differences peacefully. We do not want to see civil conflict in Yemen or the collapse of all authority in Yemen, which really would raise the much greater spectre of a terrorist threat to the United Kingdom on a vastly greater scale than anything we have discussed in the House so far this afternoon. The British Government are heavily engaged in this situation and our ambassador in Sana'a, in particular, is doing an outstanding job in giving very good advice and conveying all the views of this country to the President and to the other various factions involved in Yemen. So we are doing our best to use our good offices to bring about a more peaceful situation there.

Mary Macleod (Brentford and Isleworth) (Con): May I commend the work that my right hon. Friend the Foreign Secretary has done on Libya and the London conference? May I also commend the work of our armed forces, whose skill and expertise has meant that there has not been a single case of civilian injury, which is incredible? Can he confirm that we may use our armed forces to deliver humanitarian aid to Libya—if we are not already doing so—and thus make sure that we are supporting civilians as much as possible?

Mr Hague: I am grateful to my hon. Friend. We have not, so far, been using our armed forces to deliver humanitarian aid, although contingency planning done by various nations includes the ability to do that. However, it is better, if at all possible, to deliver humanitarian aid in a way that does not get that aid involved in the conflict that is going on in Libya. So we are trying to get that aid in by supporting other organisations and by some direct deliveries from our allies. As the Secretary of State for International Development made clear at his Department's Question Time, that has enabled us to provide essential supplies for a very large number of people already.

Hugh Bayley (York Central) (Lab): What assessment have the Government made of the risk of civilian casualties if the insurgent forces were to get to Tripoli and start fighting, street by street, for control of the capital? What likelihood is there that the political track would create some kind of solution and a ceasefire before that situation arose?

Mr Hague: Obviously, what we are hoping for and looking for is a genuine ceasefire—that is what the whole world wants to see. If the Gaddafi regime would accept that on the terms that I was discussing earlier with the right hon. Member for Paisley and Renfrewshire South (Mr Alexander)—it should not be difficult to do that—we would have a ceasefire and everybody would be able to proceed from there. All I can say about the opposition forces and the danger of civilian deaths from their activities is that, so far, we have no record of their being engaged in attacks on civilians. For one thing, they have not made frontal attacks on civilian areas and, for another, where they have managed to gain territory they have generally been welcomed by the

[Mr Hague]

local people. It is certainly part of the beliefs of the opposition that in most of the western towns and cities of Libya there would be a very strong welcome for the opposition forces. So they have avoided civilian casualties in their own operations so far, and we look to them to continue to do so.

Christopher Pincher (Tamworth) (Con): I appreciate that my right hon. Friend need to be careful with his answer to this question. Given the news from Misrata of further attacks on civilians, can he give an estimate of the munitions supplies and military capability that remain available to Gaddafi and of the effectiveness of the blockade of munitions from land and sea and by air?

Mr Hague: I will have to be a bit careful with my answer. Clearly, events such as the attack by coalition aircraft on a major ammunition storage depot in the early hours of Monday will have made a difference to the ammunition supplies of the Libyan regime. It is very difficult to quantify that, but it will have made a significant difference. Equally, the successful attacks on regime vessels that were seeking to blockade Misrata yesterday will have made a significant difference to their ability to blockade that city. It is not possible to put a precise statistical estimate on the things my hon. Friend is asking for, but one can say with a fair degree of confidence that, if it had not been for coalition activity, the citizens of Misrata would by now have sustained many, many more casualties. Indeed, it is entirely possible that the city would have been taken over by regime forces, with desperate consequences for many of its inhabitants.

Mr Andy Slaughter (Hammersmith) (Lab): The Foreign Secretary says that coalition and British forces should follow the letter of the UN resolution, and indeed the resolution of the House, but are they doing so? Reports coming out of Libya suggest that we are supporting offensive actions by the rebels, and there are mixed messages about regime change, including from the Government Front Bench. Does he accept that there will be a breakdown in the broad consensus either in the UN or in this House if there is not clear evidence that only humanitarian and protective ambitions are being achieved?

Mr Hague: No, I do not accept any of the premises of the hon. Gentleman's question. What we have just seen at the London conference is a serious broadening and deepening of support for what we are doing under the United Nations resolution and I have stressed the importance of maintaining that. He can be sure that British forces and our allies are acting entirely within the UN resolution and I am not aware of anyone who is able to bring to the House any evidence that they are doing anything other than that. He would do well to support our forces in the difficult job they are undertaking rather than to entertain the idea that they are doing something different.

Mr Matthew Offord (Hendon) (Con): Although there is widespread agreement that Gaddafi has lost all legitimacy, it is increasingly unlikely that he will step down voluntarily. Apart from the no-fly zone, what does the coalition force propose to bring an absolute end to the conflict?

Mr Hague: I must be clear with my hon. Friend, as I have been with other hon. Members, that our military mission is defined by the United Nations resolution. As one or two Members have pointed out, neither the mission nor the resolution includes regime change. Yes, we think Gaddafi should go, as does any rational person on earth—it is impossible to see a viable future for his country while he remains there—but in our military activity we will stick absolutely to what is laid out in the UN resolution.

Mark Durkan (Foyle) (SDLP): I note that the Foreign Secretary has not told us how much of the Gaddafi hardware now being targeted by coalition forces was provided by those countries in the first place. He also knows that in the debate of 21 March the Government clearly resiled from calls to arm the rebels and offered assurances regarding regime change and questions about the future governance of Libya. They also told us that there was international consensus on a clear and focused interpretation. Does he agree that those interpretations have been moving and varied since then, and is not the spin shift of the past 10 days evidence that the Government and the coalition are struggling to defy gravity and are being sucked into mission creep?

Mr Hague: No, that is entirely wrong. I wish the hon. Gentleman could have come along to the conference yesterday. If he had, he would have seen the degree of international support—indeed, unanimity—for these things, which is quite extraordinary for an international event involving such a varied group of nations from both sides of the Atlantic and around the middle east. That international consensus has been strengthened, the international focus on the UN resolution is as strong as it was at the beginning and our commitment to operate within it is as strong as it was at the beginning, so we are not engaging in any mission creep.

Rehman Chishti (Gillingham and Rainham) (Con): First, may I congratulate the Foreign Secretary on the way in which he has handled the overall situation? Will he clarify one point about the UN resolution's mention of protecting civilians under attack in Libya, "including Benghazi"? Why expressly mention Benghazi and not Misrata or Zawiya?

Mr Hague: That is a fair question. The mention of Benghazi is a product of the days in which the UN resolution was drafted and agreed at the UN Security Council, when the most specific threat to the largest number of people was to the civilian population of Benghazi. My hon. Friend will remember that at that time the Gaddafi forces were advancing rapidly on it, so when the resolution was agreed it was easy to put Benghazi in it. As he knows from reading that paragraph, its provisions apply to all the other civilian-populated areas of Libya; the inclusion of Benghazi was not meant to exclude any other areas.

Thomas Docherty (Dunfermline and West Fife) (Lab): May I press the Foreign Secretary to say something more about the contact group, specifically the size, frequency of meetings and the ministerial level at which those meetings will take place?

Mr Hague: The membership of the group will be decided in the coming days. Clearly, as Qatar is hosting the next meeting and we will co-chair it, we will work closely with the Qataris on the membership of the contact group, which will need to be internationally agreed. It should certainly include international organisations such as the Arab League, the Organisation of the Islamic Conference, the United Nations, the EU High Representative and the African Union if they want to be associated with it, and it also needs to include key nations from both sides of the Atlantic and from the middle east and north Africa region. It will need to include at least a dozen nations—perhaps a few more—to be of a size that can be cohesive and able to work together. I envisage it meeting for the first time within the next two weeks, certainly. We will be represented at senior ministerial level, which means by me or the Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for North East Bedfordshire (Alistair Burt), if I have duties elsewhere. I think it will be a very useful and important group for the high-level political oversight of the whole work of the coalition.

Robert Halfon (Harlow) (Con): I thank my right hon. Friend for his mojo on Libya. Given what my hon. Friends the Members for Beckenham (Bob Stewart) and for East Dunbartonshire (Jo Swinson) have said about the terrible treatment of civilians in Libya and about the prisons and torture there, did my right hon. Friend have any discussions yesterday with the other countries about bringing to justice those who are perpetrating war crimes, particularly about ensuring that Gaddafi is not allowed to go into exile but is brought before the International Criminal Court?

Mr Hague: We have had those discussions all along. As my hon. Friend knows, there is a reference to the prosecutor of the ICC in resolution 1970—the first of the two resolutions passed on these matters. Just as we remain strongly attached to the implementation of resolution 1973, we are also firmly committed to the implementation of resolution 1970 and we want people to know that we are not going to be advocates of impunity for those crimes.

Mr Nigel Dodds (Belfast North) (DUP): May I pay tribute to the work that our servicemen and women—the RAF and the Navy—are doing once again on our behalf and the way in which they are carrying out those operations, minimising civilian casualties? We endorse the careful and cautious approach of the Foreign Secretary and the Government because of the concerns about al-Qaeda. Will the Foreign Secretary address the issue that was raised earlier about the role of fighters from eastern Libya in Afghanistan and elsewhere? What knowledge can he bring to the House about that and the role of al-Qaeda links in Libya today?

Mr Hague: I am grateful, as the whole House will be, for the reaffirmation from all sides of support for the work of our armed forces. The right hon. Gentleman is quite right to refer to that, but I cannot give him specific information about people in eastern Libya fighting in Afghanistan. As he knows, there are fighters in Afghanistan on the Taliban side drawn from a wide area around the world, but it would not be accurate to represent the

eastern part of Libya as a major factor in that or a major area for the recruitment of such people. As I say, it would be most accurate to place the accent on the positive and democratic side of the opposition in Libya rather than on any other side.

Rory Stewart (Penrith and The Border) (Con): May I strongly and respectfully disagree with my right hon. and learned Friend the Member for Kensington (Sir Malcolm Rifkind)? The UN resolution is not some law that has passed through a Bill Committee of the House of Commons; it is a contract between us, Germany, Brazil and India. We should be very, very careful not to push the letter of the law, but to stick to the spirit of that resolution. If anyone is to arm the rebels, may I respectfully suggest that Britain should not be in the lead?

Mr Hague: My hon. Friend makes some powerful points. He is right that in looking at a UN resolution one must bear in mind not only the precise words with which it was drafted but the circumstances in which it was agreed and any understanding at the time, and we shall certainly do so.

Jim Shannon (Strangford) (DUP): I thank the Foreign Secretary for his statement. It is clear from television pictures that a humanitarian catastrophe is waiting to happen—no water, no electricity, no food, medical supplies dwindling, and those who have been injured, shot or blown up by other forces queuing up at the hospital. What steps has the right hon. Gentleman taken to ensure that technical support is given to civilians in Libya so that they can resume some normality in their lives?

Mr Hague: We are giving a lot of support. We are giving financial support to organisations that are involved in supplying such aid. We have provided a specific amount of supplies for up to 100,000 people, as my right hon. Friend the Secretary of State for International Development indicated earlier. We have other projects under way to support the bringing of direct help to some of the people in the most desperate situations. However, the hon. Gentleman will understand that I cannot announce in advance what they are in case the Gaddafi regime tries to prevent them, but he can be assured that we are giving a lot of attention to the issue.

Dan Byles (North Warwickshire) (Con): I, too, warmly welcome the news that there have been no civilian casualties so far as a result of the action that we have taken, which is a testament to the skill and delicacy of our pilots. The Foreign Secretary will be aware that the closer the fighting gets to the urban centres in the west of Libya, particularly around Tripoli, the harder it will be to avoid civilian casualties as a result of fighting on the ground and from the air.

I urge the Foreign Secretary to hold robust conversations with the Arab League and other regional players to ensure that we know where the tipping point is between air action to support civilians and air action in support of offensive ground action by the rebels, because it is a grey area—

Mr Speaker: We are extremely grateful to the hon. Gentleman, but we have a lot of business today. I call the Foreign Secretary.

Mr Hague: To give a brief answer to conclude, the best way to put it to my hon. Friend is as follows. We retain the moral and international standing, particularly because of the extreme care that we take to minimise—to avoid—civilian casualties. That must continue throughout the operation. The purpose of the operation is to protect civilians. It cannot be part of its purpose to inflict damage or death on civilians, so whatever the situation, however it develops over the coming days or weeks, we will continue to take that extreme care.

Mr Speaker: I am grateful to the Foreign Secretary and colleagues for their succinctness.

Points of Order

1.43 pm

Chris Williamson (Derby North) (Lab): On a point of order, Mr Speaker. This relates to unparliamentary language by the Prime Minister, which is why I was keen to make a point of order before he left the Chamber. I apologise if I appeared a little over-insistent. I believe that I heard the Prime Minister accuse me of being misleading, which is unparliamentary language.

Mr Speaker: I can deal with the point very simply. I am grateful to the hon. Gentleman for his point of order. The short answer is that nothing unparliamentary was said, but for the benefit of the hon. Gentleman and of the House, let me make clear what a lot of hon. Members know, but some perhaps do not. To accuse someone of misleading the House is unparliamentary and a breach of order. The use of the word “misleading” in the way in which the Prime Minister used it is not unparliamentary or out of order. That is a statement of fact, and I hope that it is helpful both to the hon. Gentleman and to the House.

Mr Matthew Offord (Hendon) (Con): On a point of order, Mr Speaker. There has been some confusion about the use of iPads and other electronic devices both in the Chamber and in Committee, particularly the Police Reform and Social Responsibility Bill Committee. Will you advise the House of the conclusions of the Procedure Committee on the use of such devices?

Mr Speaker: I am extremely grateful to the hon. Gentleman for his point of order and for giving me advance notice of it.

I shall deal with this briefly, and in two parts. First, my guidance on the courtesies and conventions of the House states that the House has agreed to the use in the Chamber of hand-held devices to keep up to date with e-mails, provided that they cause no disturbance. All such devices may be switched on as long as they are in silent mode. Members should not use electronic devices as an aide memoire in debate.

Secondly—and the hon. Gentleman referred to this—the Procedure Committee reported last week on this matter and the House will soon want to debate its report. In the meantime, I do not think that the occupant of the Chair can reasonably prevent a Member from discreetly using such a device as an aide memoire in debate. Members should remember to send any notes, electronically or not, to *Hansard*. I hope—I reiterate this forcefully—that the House will soon reach a view on this in order, apart from anything else, to assist the Chair.

Mrs Anne Main (St Albans) (Con): On a point of order, Mr Speaker. In an earlier exchange with the Prime Minister, the hon. Member for Dudley North (Ian Austin) seemed to imply that he possessed leaked information about a cancellation or compromise of the crisis loans scheme. Will you advise me on how we can get accurate information on this matter, as it has been raised on the Floor of the House?

Mr Speaker: I have a feeling that the hon. Lady's expectations of the scope of my powers are unrealistic, however generous-spirited they might be. It is extraordinarily

good of her to think that these matters are within my compass, but I fear that unless I am gifted with talents that I do not possess I am unlikely to be able to satisfy her demands on this front. More widely, I would say very simply to her that hon. Members are responsible for their own statements, and if she wishes to follow up the matter with the hon. Member in question she is welcome to do so.

Gregg McClymont (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): On a point of order, Mr Speaker. Is it in order for the Prime Minister to claim again today that the Government have embarked on the biggest work programme since the great depression? As you will be aware, Mr Speaker, there was no meaningful work programme during the great depression, but what we did have in the 1930s was mass unemployment presided over by a Tory-Liberal coalition.

Mr Speaker: I may disappoint the hon. Gentleman, but I state the truth when I say two things. First, the Prime Minister was in order and, secondly, in his attempted point of order, the hon. Gentleman was not, but he has put his concerns on the record.

Mr Nigel Dodds (Belfast North) (DUP): On a point of order, Mr Speaker. May I draw your attention to the arrangements for debates organised by the Backbench Business Committee on Tuesday 5 April, which are excellent? I think that all hon. Members will welcome the changes that have been brought about. However, I note that each Member participating in the general debate will receive

"a substantive written reply from the Department to the points raised unless they are dealt with fully in the Deputy Leader of the House's reply."

Who will make that adjudication? Let us hope that it is a matter for the Chair.

Mr Speaker: Of course, it is a matter for individual Members of the House to decide whether they have received a good reply. In fairness, and in the presence of the deputy Leader of the House, who has regularly shown himself, not least recently, to be conscientious in responding to colleagues' concerns, my hunch would be that if the deputy Leader of the House, whose antennae are sharp, sensed widespread dissatisfaction among Members, he would want to respond to it. As for the right hon. Gentleman's remarks about the work of the Backbench Business Committee and of the Chair, my cup runneth over. I am extremely grateful to him.

If there are no further points of order, we come to the ten-minute rule motion, for which the hon. Member for Totnes (Dr Wollaston) has been patiently waiting.

Alcohol Marketing

Motion for leave to introduce a Bill (Standing Order No. 23)

1.49 pm

Dr Sarah Wollaston (Totnes) (Con): I beg to move,

That leave be given to bring in a Bill to introduce measures to reduce the exposure of children to the marketing of alcohol products; to make provision to establish the permitted content of marketing of alcohol products; and for connected purposes.

About 13 young people will die this week as a result of alcohol, and about 650 this year. Nearly a quarter of all deaths of young people aged between 15 and 24 are caused by alcohol. That is two every day—far more than are killed by knife crime or cancer—yet this tragic loss from alcohol attracts far less by way of a response. These totally avoidable deaths are just the tip of the iceberg and do not begin to represent the full scale of the harm caused by alcohol to children.

Alcohol blights lives, with criminal records as a result of violent and antisocial behaviour, and it results in educational failure. Regretted and unprotected sex raises the risk of unwanted pregnancies and sexually transmitted infections. Around 7,500 children are admitted every year to English hospitals alone as a result of acute intoxication, and that figure does not include the carnage in our accident and emergency departments.

There are many contributing factors and no simple solutions. Ultra-cheap alcohol and saturation availability still need to be tackled, but we also need a change in our drinking culture. The Bill aims to tackle one of the root causes of that culture, and there is a clear evidence base to support it. Youth culture is heavily influenced by marketing and our children are saturated by alcohol advertising. Despite the clear evidence of harm—only Denmark and the Isle of Man have higher levels of binge drinking and drunkenness in their schoolchildren—the European school survey demonstrated that our children have the most positive expectations of alcohol of any children in Europe and were the least likely to feel that it might cause them harm.

Where do those positive expectations come from? Let us just look at the scale of marketing in the UK. The estimated spend on alcohol marketing is around £800 million, compared with the Drinkaware trust's funding by the industry of just £2.6 million. When £307 is spent encouraging drinking for every pound spent promoting sensible behaviour, the results are predictable. The World Health Organisation hit the nail on the head when it said:

"In such a profoundly pro-drinking environment, health education becomes futile."

The Portman Group, one of the main regulators of the industry, would have us believe that it runs a very tight ship and is effective in protecting children. That simply is not true.

Our confusing and inadequate combination of legislation and industry self-regulation is not working. The report on alcohol by the last Health Committee highlighted the fact that 96% of 13-year-olds from a sample of 920 were aware of alcohol advertising in at least five different media, and between 91% and 95% were able to identify masked brands. Nearly half owned alcohol-branded products, such as clothing. Does that matter?

[Dr Sarah Wollaston]

A systematic review of multiple studies looking at the impact of alcohol advertising and media exposure on adolescents—a study that reviewed many studies—concluded that increasing exposure to alcohol marketing encourages children to start drinking younger and to drink more when they do. The Academy of Medical Sciences report “Calling Time” showed a consistent correlation between consumption levels by 11 to 15-year-olds and the amount spent on marketing. We can be sure that, if alcohol advertising did not work, the industry would not pay for it.

Many of the possible solutions to our binge-drinking epidemic are incompatible with European law, so it is rather refreshing to hear that France has found a way forward. In 1991, in response to saturation inappropriate marketing, the French introduced a measure called the Loi Evén. This law has been repeatedly challenged in the European courts and has been upheld as

“proportionate, effective and consistent with the Treaty of Rome”, which all Members would agree makes a pleasant change.

Alcohol was a serious problem in France. In 1960 the French were consuming over 30 litres of pure alcohol per capita per year. Consumption is well under half that figure now. I accept that French levels of alcohol consumption were falling before the Loi Evén was introduced, but the French have managed to sustain that decline and the long-term trend continues to be downwards. That is partly because their young people are no longer exposed to a continuous barrage of insinuating and pervasive messages about alcohol.

I am not suggesting a retreat to the nanny state or a ban, but we should aim to protect children, especially as there is clear evidence of their exposure to marketing and the consequent harm. We currently have an absurd situation where advertisers are not supposed to link drinking with social or sexual success or portray drinkers as youthful or vigorous, but they can regularly sponsor major sporting and youth events, such as T in the park. The Bill aims to reduce the exposure of children to the harmful effects of alcohol marketing by setting out what advertisers are allowed to say and where they can say it. Rather than the current confused cocktail of legislation and self-regulatory codes, let us switch to something that works.

The Bill would permit the promotion of alcohol in media that adults use. That would include the print media, where at least 90% of readers are adults rather than children, radio after 9 pm and films with an 18 certificate. It would allow advertising at the point of sale in licensed premises and at traditional producer events, so it would not penalise, for example, west country cider makers or small Scottish distilleries. In these media, advertisers would be permitted only to make factual and verifiable statements about their products, such as alcoholic strength, composition and place of origin. Every advert would also carry an advisory message about responsible drinking or health.

Any other marketing or promotion not specifically permitted would therefore be banned, and this would include television, social media and youth-certified films. The Bill would specifically prevent the growing threat from viral phone marketing and ploys such as “advergaming” on the internet, where so-called games are a cover for

alcohol marketing. I think we would all agree that those are designed specifically to appeal to young people. Ofcom in its own research has demonstrated that for every five 24-year-olds who see an alcohol advert on television, there are four 10-year-olds who see the same advert. The industry will claim that these measures will kill off sport and culture, and that advertising is designed only to persuade people to switch brands. The same claim was made before the tobacco advertising ban. I point out that France has managed a World cup and a European cup without any help from alcohol sponsorship.

Across the channel, the Loi Evén is backed up by heavy penalties which have been imposed by the courts and now act as a significant deterrent. May I ask that we stop putting the fox in charge of the chickens and have a clear statutory code to protect our children? The Government could adopt this measure very quickly. I am pleased to see the Under-Secretary of State for Culture, Olympics, Media and Sport, the hon. Member for Wantage (Mr Vaizey) in the Chamber today. I call on him to meet me to discuss further how we could implement the measure in the Government's alcohol strategy.

The coalition has staked a great deal on talking about outcomes. If we are serious about outcomes such as reducing health inequality, reducing violent crime and domestic violence, improving the life chances of our children and reducing teenage pregnancy, we must stop talking to the drinks industry, with its vested interest in increasing drinking, and start listening to those with real expertise in preventing alcohol-related deaths. Not so much big society, perhaps, as big sobriety.

1.58 pm

Philip Davies (Shipley) (Con): It will come as no surprise to my hon. Friend the Member for Totnes (Dr Wollaston) that I object to the Bill in principle and in practice. Despite her best efforts to suggest otherwise, it is clearly an attempted extension of the nanny state, of which we have had far too much already. It is gesture politics to try to appease the health zealots in this country, most of whom cannot be appeased anyway.

I accept my hon. Friend's point that the British Medical Association found that 96% of 13-year-olds are aware of alcohol advertising. However, I dispute the inference that that leads them to go out and drink. After all, many 13-year-olds are probably well aware of car adverts, but that does not mean that they all go out driving as a result of watching them. All the research has shown the exact opposite. When young people were asked what was most likely to influence people under the age of 18 to drink alcoholic drinks regularly, 67% said the influence of friends, 56% said the availability of drink, just 5% said TV advertising, and only 3% said sponsorship.

If we accept this policy, where will it end? All sorts of products are bad for us if taken in excess. Cream cakes are undoubtedly bad for us if we partake of them in excess, as are pizzas, chocolates and curries. Does my hon. Friend propose to come back at a future date to ban the advertising of cream cakes, pizzas and curries, or anything that happens to be bad for us? This is the start of a very slippery slope, and one that I am not prepared to go down.

The Bill would do enormous damage to sports clubs. It is estimated that alcohol companies spend between £150 million and £200 million a year sponsoring sport alone, including many amateur sports teams. Without that sponsorship it would be difficult for those clubs to continue. We have the rather ludicrous suggestion that we should for health reasons attempt to try to stop the advertising of alcohol, the only consequence of which would be to stop lots of people being able to take part in sporting activities, which is presumably something the health lobby wants to encourage. The Minister for Sport and the Olympics reiterated that point when he stated:

"I know both from my own experience of growing up playing sport in Kent and my work as a constituency MP that the sponsorship offered by alcohol companies to community sports clubs brings a considerable number of benefits, both financially and in kind. This allows sports clubs to reach out to more people or improve their offer in a way that would not otherwise be possible."

I object to the Bill in principle, but even the people who accept it in principle must recognise that it is completely unnecessary. It is a solution looking for a problem. Alcohol already cannot be sold to anyone under the age of 18, so if my hon. Friend is concerned about young people drinking alcohol, surely the solution to the problem is to stop anyone selling it to them. That law already exists.

The UK already has a comprehensive framework of regulation that makes the Bill completely unnecessary. The Advertising Standards Authority has an established regulatory system, the Portman Group provides its own code of practice and Ofcom regulates TV programme sponsorship. The current alcohol advertising rules were tightened in October 2005, in response to the alcohol harm reduction strategy, and they were reviewed again in 2008, taking into account the latest evidence commissioned by the Department of Health, and were subject to a full public consultation in 2009. The rules already state that adverts must not target under-18s; be shown around programmes that especially appeal to under-18s; link alcohol with seduction, sex or social success; link alcohol with irresponsible, anti-social, tough or daring behaviour; show alcohol being served irresponsibly; show people drinking and behaving in an adolescent or juvenile way or reflecting the culture of people under 18-years-old; or be shown in publications aimed at under-18s or where more than 25% of the readership is under 18.

Additionally, alcohol adverts already cannot be shown around programmes popular with young people, such as "The Simpsons" and "Ugly Betty", even if the programmes appear after 9 pm. The Portman Group also introduced a code in 1996 that regulates all drinks marketed in the UK through its code of practice on the naming, packaging and promotion of alcoholic drinks. Its code is so rigorous and highly regarded that the better regulation taskforce described it as a good example of how effective self-regulation can be, and the International Harm Reduction Association includes the code within its leading 50 global alcohol harm reduction initiatives.

Furthermore, the aim of the Bill is not evidence-based. The argument is that it will reduce drinking levels among younger people, but that has not been proven by any research evidence. If any such impact did exist, it would be outweighed by other factors, such as the family environment. In fact, a study, "The Impact of Alcohol Marketing on Youth Drinking Behaviour", found that

"no association was found between uptake of drinking and baseline awareness of alcohol marketing or number of brands recalled at baseline...no association was found between uptake of monthly drinking at follow-up and baseline awareness of alcohol marketing".

Professor Hastings actually completed a longitudinal study to try to measure the impact of alcohol marketing on 13-year-olds in the west of Scotland. He found no association between awareness of alcohol marketing at age 13 and either the onset of drinking or the volume of alcohol consumed two years later. Surprisingly, that part of the study received very little publicity.

The lack of evidence is also apparent if we look at international comparisons. Norway has strictly no advertising for alcoholic beverages, yet consumption has been steadily increasing. In Italy, where alcohol advertising is permitted, consumption is decreasing. France is also an interesting case, as it is the example on which my hon. Friend bases her Bill. The equivalent Loi Evin was introduced in France in 1991, but it has not had the intended consequences that she would have hoped for. Statistics from the World Health Organisation show that French alcohol consumption decreased from 18.46 litres per capita in 1981 to 14.88 litres in 1991. Since the Loi Evin was enacted, consumption has levelled off, dropping to only 13.24 litres, highlighting the fact that the legislation has had little, if any, impact.

The Bill smacks of the nanny state and would set a dangerous precedent for future legislation. It would damage an already fragile amateur sporting club base without any evidence-based proof that such a change in the law would reduce youth alcohol consumption. There are less burdensome means by which we can reduce underage drinking, such as enforcing existing laws on the sale of alcohol to under-18s and to do what the Government should be doing, which is highlighting the health implications of drinking alcohol and allowing people to make up their own minds. In a free country, that is what we should believe in. This is a further extension of the nanny state to try to appease health zealots and fanatics who will never be appeased.

Question put (Standing Order No. 23) and agreed to.

Ordered.

That Dr Sarah Wollaston, Mr Kevin Barron, Tracey Crouch, John Pugh, Stephen Gilbert, Paul Flynn, Mr David Amess, Chris Bryant, Kelvin Hopkins, Mike Wood, Anne Marie Morris and John McDonnell present the Bill.

Dr Sarah Wollaston accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 9 September, and to be printed (Bill 176).

Police Reform and Social Responsibility Bill (Programme) (No. 2)

2.8 pm

The Minister for Policing and Criminal Justice (Nick Herbert): I beg to move,

That the Order of 13 December 2010 (Police Reform and Social Responsibility Bill (Programme)) be varied as follows:

1. Paragraphs 4 and 5 of the Order shall be omitted.
2. Proceedings on Consideration and Third Reading shall be concluded in two days.
3. Proceedings on Consideration shall be taken on each of those days as shown in the following Table and in the order so shown.
4. The proceedings shall (so far as not previously concluded) be brought to a conclusion at the time specified in the second column of the Table.

First day	
Proceedings	Time for conclusion of proceedings
New Clauses and amendments to Clauses, and new Schedules and amendments to Schedules, relating to Part 1	6.00 pm
New Clauses and amendments to Clauses, and new Schedules, relating to Clause 152	7.00 pm
Second day	
Proceedings	Time for conclusion of proceedings
New Clauses and amendments to Clauses, and new Schedules, relating to Part 2	3.00 pm
New Clauses and amendments to Clauses, and new Schedules and amendments to Schedules, relating to Part 3 and Clauses 149 to 151; remaining proceedings on Consideration	5.00 pm

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on the second day.

The programme motion allows two days of debate on the Bill. That was not sought, but the Government felt that it was right to offer it to give sufficient time for debate. We had eight days of debate in Committee and a full discussion of the issues. Having two days will allow police and crime commissioners to be debated. Time will be allowed specifically to debate universal jurisdiction, and tomorrow there will be time to debate alcohol, drugs and protest in Parliament square. The motion was revised to take into account the views of the Opposition expressed through the usual channels, so I hope that it will be acceptable to the House.

Vernon Coaker (Gedling) (Lab): It would be churlish not to recognise the fact that the Government have provided an additional day's debate. We are grateful for that. Notwithstanding the time we have, the problem is that the Bill raises so many issues that lack clarity, but no doubt we will debate them this afternoon. As I have said, however, we are grateful for the additional day, and it would be churlish not to recognise that fact.

Question put and agreed to.

Police Reform and Social Responsibility Bill

[1ST ALLOCATED DAY]

Consideration of Bill, as amended in the Public Bill Committee

New Clause 4

COMMENCEMENT OF PART 1

'The Secretary of State must not make an order to bring sections 1 to 103 of this Act into force until—

- (a) an inquiry by Her Majesty's Inspectorate of Constabulary into the impact of the introduction of police and crime commissioners in England and Wales has been completed, and
- (b) the Secretary of State has considered the recommendations of that inquiry.'—(*Vernon Coaker.*)

Brought up, and read the First time.

2.10 pm

Vernon Coaker (Gedling) (Lab): I beg to move, That the clause be read a Second time.

Madam Deputy Speaker (Dawn Primarolo): With this it will be convenient to discuss the following:

Government amendments 6 to 10, 12, 13, 15, 20 and 14.

Amendment 134, clause 156, page 102, line 24, at end insert—

'(2A) Commencement of Part 1 of this Act is subject to Clause [Commencement of Part 1].'

Amendment 135, page 102, leave out line 27.

Government amendments 31 to 40, 135A, 136 to 138, 42, 50 and 51.

Vernon Coaker: It is very good to be reunited with many of the members of the Committee who did such sterling service upstairs. It falls to us now to scrutinise the Bill on Report, to consider the various improvements that the Government will seek to introduce and—from the Opposition's perspective—to continue to point out the Bill's various deficiencies.

As hon. Members will have seen, new clause 4 states that the commencement order for clauses 1 to 103 should not be brought into force until an inquiry into the impact of the Government's arrangements, which will be given effect in England and Wales by the Bill, has been completed. In other words, the provisions should not be brought into force until we have begun to understand what the impact of police and crime commissioners will be. Obviously, we would ask Her Majesty's inspectorate of constabulary to conduct the inquiry, and that before commencement the Home Secretary has to consider the recommendations. The Minister knows that we oppose the introduction of directly elected police and crime commissioners, which constitute the major part of this part of the Bill, and we will continue to do so. I seek again to persuade hon. Members across the House of some of the deficiencies we see in the Bill, and hence of the need for us to calm down, row back and consider what is happening and what the Government are proposing.

The Minister has provided no evidence of the need for the change. In fact, the responses to the policing and crime White Paper "Policing in the 21st Century" seem

to be a mystery. After nearly 900 responses to the White Paper, all the Government did was publish a summary of them—they did not publish any of them. I challenge him again to publish all 900 responses. I have a sneaking suspicion that had those 900 responses been in favour of the introduction of police and crime commissioners, we would not have seen him for dust as he moved to publish them. He would have published them with a fanfare of glory, called a press conference and said to everyone, "Look, the introduction of police and crime commissioners supported by me, the Prime Minister and a couple of other people and whipped through the House of Commons is supported by these 900 people. No need for an inquiry. No need for anyone to be concerned." However, he did not do that; he published a summary, on the grounds that it would be disproportionate to go further.

The silence from those who support the Government's proposal is deafening. I do not know about other hon. Members, but I have not had people queuing up outside my surgery, knocking on my door and telling me that the introduction of police and crime commissioners is one of the foremost policies they want introduced in their communities. No doubt, the Association of Police Authorities would be among those to whom HMIC would want to talk in its inquiry. However—and I hope that hon. Members have read the Committee deliberations—the Minister does not think that the APA is worth listening to, because obviously it would be opposed to anything that the Government put forward. Clearly, given that the Bill seeks to abolish police authorities, it is thought that there is not much point in listening to the APA.

2.15 pm

Keith Vaz (Leicester East) (Lab): I am following my hon. Friend's arguments carefully. The new clause would put a lot of responsibility on HMIC. Does he feel that it has the resources to deal with what he would have it deal with? As we know, it published a report only yesterday on police numbers. Does he not think that if we give it this responsibility, it would need the resources to deal with it?

Vernon Coaker: My right hon. Friend, who is Chairman of the Home Affairs Select Committee, makes a reasonable point. Of course, there would be a resources issue for HMIC that the Government would need to consider, but given the importance of the reform that the Government are seeking to introduce, and given that the police themselves say that this would be the biggest change to the policing model in this country for centuries, I suggest to my right hon. Friend that it is incumbent on us to say to HMIC that we will ensure that it has the necessary resources.

The Local Government Association—I do not know whether the Minister has a higher regard for it than for police authorities—is also totally opposed to the reform. It is difficult to find a single council that supports it. Surrey county council sometimes edges towards it, but it is difficult to find many others. I would have thought that if this were a great reform, the police would be coming forward and saying, "This will make a huge difference", but of course they are not. The challenge, therefore, is to find the demand for the change. Local people are not demanding it, so who actually is? The Minister seems to be driven by a belief that he knows

best. He accused others of being elitist, but if everybody is saying that the Government have got it wrong, there might be an element of truth in it.

Mark Reckless (Rochester and Strood) (Con): The hon. Gentleman asked for an example of a council that supports the reform. My council—Medway council—of which my hon. Friend the Member for Gillingham and Rainham (Rehman Chishti) is also a member, has supported the reforms, and our council leader, Rodney Chambers, has been a strong proponent, with me, of direct election for those who oversee our police. Surely the key thing, however, is that the electorate voted for it. The Lib Dems stood on a platform of direct election for police authorities, and we stood on one of directly elected commissioners. We now have this compromise involving a panel. The APA commissioned an opinion poll that showed that most people wanted direct election for those who oversaw the police.

Vernon Coaker: I am glad that the hon. Gentleman has cleared up the issue—there is one council in favour of the proposed change across the country. However, I disagree absolutely with what he said about the electorate voting for this measure. The model in the Bill was not voted for by the majority of people. As he said, the model in the Liberal Democrat manifesto was completely different from the one in the Bill. He gave the game away when he said, "Of course, in the coalition agreement, there was a compromise". Well, if there was a compromise, it obviously happened after the election, not during the election, so I do not think that anybody actually voted for this model.

Dr Julian Huppert (Cambridge) (LD): Does the hon. Gentleman accept that the key issue is about having elected people looking after policing? That was the common ground between our two parties. The outcome was not exactly as we would have liked, but it was a balance between the two options. Does he further agree that there is a problem at the moment, in that police authorities do not represent those on district councils? District councils do not have a direct input. In fact, does he think that police authorities, as they currently are, work well at all?

Vernon Coaker: I do not think that police authorities are as bad as they are portrayed. There is some variation among them, but many do a reasonable job. Perhaps they are not as visible as they might be, and perhaps people do not understand exactly what they do, but people such as the hon. Member for Rochester and Strood (Mark Reckless), who sits on the Kent police authority, do a good job.

As for elections, let us say this. We can come forward with different models for this election or that election. However, as the hon. Member for Cambridge (Dr Huppert) will have heard me say in Committee, whatever the arguments about direct elections, the Government's model is at totally the wrong level of accountability. I do not get people queuing up at my surgeries to say, "Do you know what, Mr Coaker? Nottinghamshire police's counter-terrorism strategy"—or its fraud strategy or trafficking policy—"is wrong." People come to my surgery to say, "Mr Coaker, we're absolutely fed up with the kids at the end of our street," or "We're totally fed up with the drug dealing going on from cars in a car park down the road." I am sure that that is true for most hon. Members.

[Vernon Coaker]

That neighbourhood, street-level accountability is what people want, which is why, to be fair to the hon. Member for Cambridge, his party proposed elections at a very local level. Whether that was the right model or the wrong model, if we are looking at where we need to strengthen accountability arrangements, it is precisely at that neighbourhood and street level where we need to do so. We can have neighbourhood policing, community meetings, beat meetings, and so on—all the things that have happened in a calm and measured way, and which have made such a difference to confidence at that level.

Dr Huppert: The hon. Gentleman will be aware that we have discussed that idea in another venue, along with how important ultra-local policing is and how it is different from governance at a higher level. However, I am trying to understand where he is heading. In Committee he proposed directly elected chairs of police authorities, so I am glad that he now prefers the Lib Dem model—I do not remember him saying that before the election, but it is nice to hear that he is moving our way. Why does he think that having a directly elected chair of a panel would be so different from having a single directly elected person who would also act across a whole area?

Vernon Coaker: We are opposed to directly elected police and crime commissioners as set out in the Bill. Having said that, the Bill will presumably go through—unless Government Members vote against their own Whip—so then what should we do? The proper and responsible thing to do is to acknowledge that fact and propose another model—the hon. Gentleman will have seen our amendments. If we are to have a directly elected individual, then as well as saying that we are opposed to that in principle, what we as a responsible Opposition should do is say how we would improve it. The amendment that we moved in Committee—the hon. Gentleman knows this, but I am repeating it for the benefit of other Members—would have made that directly elected individual the chair of the police and crime panel, and thereby would have introduced proper checks and balances in the system.

The proposal that we are putting before the House today offers another way forward. What we are saying is, “Keep them as two distinct entities”—that is, have a police and crime commissioner as a figurehead, but also have a police and crime panel with significantly enhanced powers. These are all things that, with a proper inquiry and proper research, we could check to see whether they might be more appropriate, but I will tell the hon. Gentleman this. If he was stood where I am and he was opposed to something that the Government of the day were doing, he would say that he was opposed to it, but he would also seek to improve and adapt it, to take some of the edge off. That is what we did in Committee and that is what we are doing now.

It is not just the Opposition; hon. Members will no doubt have read Lord Imbert, the former chief constable of Thames Valley police and a former commissioner, setting out his opposition in *The Times* today. He will not be alone, although it is easier for him, as a non-serving police officer and a noble Lord, to say why he is opposed. He says:

“If passed unamended, this Bill will undermine”

the policing model that we have had in this country for years,

“threatening the crucial political independence and non-partisanship of the police and the Rule of Law itself.”

Yesterday, Liberty published the results of a survey conducted on its behalf by YouGov, which showed the lack of public trust in elected police commissioners. In answer to the question “Who would you trust more to protect your family from crime?”, 65% chose “A Chief Constable reporting to a Police Authority, as now” as their preferred option. “A Chief Constable reporting to an individual politician elected as a Police and Crime Commissioner” was the preferred option of just 15%. Just to show that that goes across the length and breadth of the country, I found out that a survey had been conducted in Hampshire showing that only 5% of the public there support having a single elected police and crime commissioner.

That is just the sort of evidence that any inquiry would have to look at. However, the Government’s response is simply to stand back and pretend that those people are all dinosaurs who would inevitably say that, because they are looking to protect their own interests, when in fact they are trying to say to the Government, “You need to slow down a bit and look at the consequences of what you’re trying to do.” All the Minister says is, “We believe it’s the right thing to do.” I have said to him before that, with respect, simply asserting that something is the case is not the same as arguing the case. Where is the evidence for this change to policing, which will make such a fundamental difference to governance arrangements?

Michael Ellis (Northampton North) (Con): Does the hon. Gentleman recall saying when he was Police Minister: “only direct election, based on geographic constituencies, will deliver the strong connection to the public which is critical,” and if so, did he have any evidence for saying that?

Vernon Coaker: The model of policing governance that we were considering at that time was exactly the sort of model that I was describing to the hon. Member for Cambridge. We were looking to see whether direct elections at a neighbourhood and local level would lead to improved governance arrangements, but let me say this to the hon. Gentleman. When all those people lined up to oppose the idea, I took the view—as did the Home Secretary at the time—that if everybody opposed something that we were trying to do, we should sometimes step back and reflect on whether we had got it wrong and whether, in all honesty, we should change direction. Some say that that is a sign of weakness or not knowing what we are doing, but we cannot have it both ways. We cannot propose to do something, have a public consultation and then say, “We don’t care what the public consultation says. If we disagree, we’re not going to take any notice.” What the hon. Member for Northampton North (Michael Ellis) described was something that was proposed at the time to deal with governance issues, but it was also something that we withdrew because we listened to what people were saying.

We could look at other issues, but I will leave the evidence there. Any inquiry that HMIC conducted would need to consider a range of other matters, but the Minister—and others on the Committee, given that we did not manage to carry the day—had no concerns

about politicisation. We will come later to the debate on operational independence and the code of practice—it was a memorandum of understanding, but it has now become a protocol. Whatever: the serious point is that, given that the Government have agreed to the protocol, they must be worried that having a directly elected individual who is responsible for policing in an area risks politicising the role of chief constable. Many people have raised that issue at great length with us.

2.30 pm

There are real worries about the issue, again dismissed by the Government, but if somebody is elected and has a mandate in a particular area, what will the nature of that mandate be and who will decide how that area ought to be policed? The Association of Chief Police Officers, which is concerned about the lack of checks and balances in the proposed model, released a statement yesterday saying that

"our professional judgment is that an effective framework of safeguards is essential to improving the Government's ambition without creating substantial threat to the impartiality of police officers making decisions, such as the deployment of resources. Our professional view is that creating effective safeguards for such a radically different accountability regime is extremely challenging. In any event, the developing framework of safeguards is too undeveloped and uncertain, and in several respects too weak, to be confident that it will effectively ensure that this Peelian principle—

the Peelian principle to which the association referred before—

"will not be compromised."

That is a fairly strong statement from the most senior police officers in this country about the lack of checks and balances, and about their concerns regarding politicisation in the Bill.

Mark Reckless: ACPO, the hon. Gentleman tells us, has suggested that there are issues with checks and balances in the new system, but is not the real issue in the current system, with the lack of checks and balances on both the Home Office and the chief constable, and with the weakness of the police authority leg of the tripartite process? Is it not right that we do something, such as introduce direct elections as proposed in the Bill, to bolster the power of that third, local, democratic pillar?

Vernon Coaker: Nobody has said that the existing system is absolutely flawless or does not need improving. I said to the hon. Member for Cambridge that it is important for police authorities to improve their visibility, but I suggest to the hon. Member for Rochester and Strood that we are discussing the Government's proposals for the future. If ACPO tells us that the Bill's checks and balances are simply too weak, should we not then say, "We need to look at this, think about it and try to understand what we should do to further improve the system that we want"?

The Minister gets very upset when I say this, but I am going to say it again. The police and crime panels are one way in which the police and crime commissioner is supposed to be held to account, but the panel is a completely toothless watchdog with no real power. It has two vetoes: one on appointments, as the hon. Member for Rochester and Strood knows, but only with a three-quarters majority; and the other on the precept, in

respect of which the hon. Gentleman has tabled an amendment, but again with a three-quarters majority. That is it.

The Minister will say, "The panel has to be consulted, referred to and involved," but how can it be right that there will be a police and crime commissioner, without anybody able to do anything about what he does, providing obviously that what he does is within the law?

Then we come to the huge number of representations about the size of the area that that one person will have to cover. Again, the Government do not think this is a problem. They say, "Oh, there's no problem with this; it's fine," but there is no evidence to support that, and that is why the House should adopt the new clause so that we may have an inquiry and the HMIC can look into the matter.

The Welsh Local Government Association points out that the system in Wales works very well, and it does not believe that replacing between 17 and 19 members of the individual police authorities in Wales

"with a single elected commissioner will...improve public accountability of the police".

The association does not believe that one individual can properly reflect all

"the divergent communities that exist in police force areas",

and it cites the huge area of Dyfed Powys, where one individual will cover the whole area.

We can cite other examples. The Avon and Somerset area covers 1,855 square miles, from Thornbury to Yeovil to Minehead. It has a population of 1.6 million and large rural areas such as Exmoor, major urban areas such as Bristol and Bath and significant market towns. One individual will represent all those areas. That police authority area and one or two others that I will mention across the country all point out the difficulty, and we should listen to them.

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): As the only representative from the Dyfed Powys area here, may I ask the hon. Gentleman whether he agrees that there is very little connection between the voters in our area and the general policing priorities? The indication that I get, which I wonder whether he agrees with, is that an elected police commissioner for the Dyfed Powys area is in fact likely to bring us closer to the policing process, rather than removing us from it. That is the feeling that I, as the only representative from the area that the shadow Minister cites, get.

Vernon Coaker: I do not see any evidence for that at all, and there have been no such representations. On the situation that the hon. Gentleman mentions, people in Dyfed Powys, in other parts of Wales and throughout the country have a problem getting police at a neighbourhood level to deal with the issues that they think are important, and that is why in Dyfed Powys and other areas throughout the country, through the introduction of neighbourhood policing, panel meetings and town and village hall meetings, people want accountability improved at that very level. I fail to understand how one individual representing that huge area will be able to do that. The hon. Gentleman knows the area far better than I do, but how will somebody in

[Vernon Coaker]

St David's, in that beautiful part of the country, know about that and then be able to compare it with something 40 or 50 miles away?

We talked about moving an amendment in Committee to require this one individual to attend all the parish and ward meetings in an area, so that they really had local and detailed knowledge. These are huge issues, and one person will simply not be able to do the work. Police authority after police authority has made that point to us.

Mr Matthew Offord (Hendon) (Con): I was fortunate enough to sit in Committee with the hon. Gentleman, and I am sure he recalls the evidence given on 19 January by Ian Loader, a professor of criminology from All Souls college, who said:

"We have gone through a decade or so of trying to run the police from 10 Downing street, and a broad move to try to reorganise the police under the rubric of local democratic accountability seems to me to be important."—[Official Report, *Police Reform and Social Responsibility Public Bill Committee*, 19 January 2011; c. 47, Q 5858.]

That runs exactly counter to the hon. Gentleman's argument now.

Vernon Coaker: My point is that the system the Government are seeking to introduce will not deliver the improved accountability that we want. The hon. Gentleman does not agree, as I said in Committee, but, to return to the point I was making, at least he has tried to use a piece of evidence—a small piece, but a piece none the less. Where is the massive amount of evidence that contradicts all the evidence that I have brought forward? The Government made great play of evidence-based policy when they came into power, and the main driver of our new clause is that an HMIC inquiry would allow policing experts to collect evidence to understand whether these improved governance arrangements would lead to the improved accountability that we all want.

The Devon and Cornwall, Cumbria, West Midlands and Greater Manchester police authorities all say that one person in charge of policing in their area will mean far too much work.

Michael Ellis: Does the hon. Gentleman not agree that a good piece of evidence is the fact that such a system is already working in London?

Vernon Coaker: First, if the system in London was working so well, why would the Government want to change it? Secondly, the change that the Government are making is to a completely different system from that which operates at the moment. The Metropolitan Police Authority is being abolished. The person who, through primary legislation, is going to be put in charge of policing in London through the Mayor's office for policing and crime will be an unelected individual appointed by the Mayor of London. They will not be a directly elected individual as per the rest of the country, but an appointee of the Mayor following the abolition of the Metropolitan Police Authority. The hon. Gentleman asked why, if the system works so well, we should not expand it to the rest of the country. If the system in London is working so well, why are the Government changing it? Why not just leave it as it is? We are not

changing the system in London to that in the rest of the country—we are completely changing the system in London to another system.

The inquiry would also need to look at the arrangements between a police and crime commissioner and the local democratic framework. One of the great successes of the current policing arrangements has been the introduction of the neighbourhood policing model, with the development of community safety partnerships in Wales and crime and disorder reduction partnerships in other parts of the country. Those arrangements have brought together all the various partners at a local level in order to try to tackle crime and improve confidence. The police and crime commissioner is not a responsible authority under the terms of the Crime and Disorder Act 1998.

What, then, is the relationship of the police and crime commissioner with the police and crime panel? Again, we do not understand that, and the Bill is unclear about it. I have referred to the complete lack of power that a police and crime panel has, leaving an omnipotent individual in charge of policing. Police and crime panels will have one person from each local authority—if there are not 10 authorities, we can make up the number with another couple—and a couple of independent members. If there are more than 10 local authorities, we can have a few more so that we stick to the basis of one person per authority. There is no reference to how many people might be in that local authority area or to its size—the reference is just to one person per authority, so it could be a tiny district council and a massive local authority area. My hon. Friend the Member for Houghton and Sunderland South (Bridget Phillipson) mentioned Northumbria, which is a huge area covered by one council and a very small, highly populated area covered by another.

Dr Huppert: Does the hon. Gentleman think it is right that under the current system district councils such as Cambridge city council have no representation on the police authority at all?

Vernon Coaker: That is a fair point. We can, of course, make changes and improvements to the current system. However, the point is that we are introducing police and crime panels when we have not had a proper debate about what their constitution should be; we have merely said there should be one member per authority. The size of the district council area in terms of population is not mentioned. These are clearly things that we need to understand.

We have had numerous representations from people saying that they are concerned about this. Cumbria and Surrey police have expressed their reservations. Cheshire—I do not know if there is anyone here from Cheshire, but I might as well go round the country—says that the police and crime commissioner

"must be able to influence relevant partners if their Police and Crime Plan is to be effective in delivering improvements in community safety and crime reduction. However, if the PCC is not a 'responsible authority' they have no statutory role and could, therefore, be ignored."

That is a serious flaw in the Bill that the Minister needs to address.

Another aspect that members of the Committee reflected on, as would many others, is the cost of the introduction of police and crime commissioners. That will be a

particularly important area for HMIC to look at. Different police authorities across the country tell us that there will be a significant cost involved. A police and crime commissioner will have people supporting them—a chief finance officer, a chief executive and other staff. A police and crime panel will presumably need resources to be able to carry out its function properly. A chief constable will become a corporation sole—in other words, a legal entity—and able, unless the Bill is amended as the Liberals tried to do, not only to control staff but own property and assets and so will presumably need more staff to be able to do that.

2.45 pm

The Association of Police Authorities said in a submission to us in January this year:

"Independent analysis suggests that the cost of the proposed reforms of police governance over the 5 years... will be a minimum of £453million. That is £101million more than the entire cost of running police authorities during the same period, and the equivalent to the removal of over 600 police officers."

The Minister has stated that the new governance model should not cost any more than the current model, excluding, as he will no doubt say in his reply, election costs, but again, nobody out there accepts or believes that that will really be the case. Yesterday's HMIC report showed that only 5% of police officers and police community support officers are in back-office roles. In looking into this, the HMIC will be interested to know what the costs are of the new governance arrangements, given that the police service finds itself facing 20% cuts from central Government. It will want to know whether this model will be real value for money. Will it add to the policing effectiveness in an area, or will the fact that 95% of police officers and/or PCSOs are not in back-office roles be threatened by its introduction? These are all huge issues with respect to the introduction of police and crime commissioners and police and crime panels.

I will finish by going back to where I started. This reform is based on an ideologically driven, philosophical desire to introduce police and crime commissioners in an untested, untried way, with no evidence, because the Minister and No. 10 believe that it will improve the effectiveness of policing in this country. I say to the Minister again: publish the evidence that shows that to be the case. There is none apart from that from the odd—I do not mean that in a disrespectful way—council and one or two individuals. This is a hugely significant change. The Local Government Association, the Association of Police Authorities, chief constables, police officers, communities, individuals and many Members of Parliament on both sides of the House see this as a deeply worrying reform. The Minister needs to argue his case rather than simply assert it. I commend new clause 4 to the House.

Dr Huppert rose—

Paul Murphy (Torfaen) (Lab) rose—

Madam Deputy Speaker (Dawn Primarolo): Order. Members have to stand if they want to speak—bobbing up and down like this does not help me. I call Julian Huppert.

Dr Huppert: Thank you, Madam Deputy Speaker. I apologise for being confusing; I was trying to be helpful.

It is a pleasure in many ways to continue the work that we did on the Bill Committee with many right hon. and hon. Members whom I see around the Chamber. These are slightly larger, grander surroundings than those in which we had our last, rather extensive, discussions.

Michael Ellis: But about the same number of people.

Dr Huppert: Indeed. We have had a fair discussion in Committee, and I am glad that we are continuing it.

The shadow Minister spoke about a desire for delay, and I can understand why he sees that as his role. I am sure that the Minister will respond to the detailed points that he made. I was rather touched by the shadow Minister's comment about how I would behave if I were in his position. He did not make it clear whether that was in a scenario where the Labour party had completely collapsed and was now a minor party, whether that had happened to the Conservatives, or whether there was a Labour-Conservative coalition. I am sure he can comment on that later.

I want in particular to speak about Government amendment 14, which deals with a rather detailed point raised in Committee by my hon. Friend the Member for Edinburgh West (Mike Crockett). It is a great pleasure to see him in his place. He spotted that lines 4 and 16 on page 22, in clause 30, did not quite fit together—that there was a drafting error. That led to an interesting discussion in which we genuinely explored some ideas—I think we all learned a lot—about what should be the process for suspending a police and crime commissioner, the standards and thresholds and the effects of such a suspension. There is an interesting balance to be struck as regards what should happen. The amendment corrects the drafting error and leaves the provision that a commissioner may be suspended by the panel—I emphasise that the term used is "may" rather than "must"—if charged with an offence that could lead to a term in prison of greater than two years.

Is the balance right? First, the position of police and crime commissioner is very responsible and we would not want to see a holder of it being seriously investigated for a major crime, which would put them in a position that would simply be untenable in the public eye. On the one hand, one could suggest that we should bring the threshold lower and lower until, if we want to be absolutely sure, they would be suspended if they were accused of anything. I think that would be going too far, and I shall come up with a suggestion on that point a bit later.

The flip side of the argument, however, is that such a commissioner has been charged, not convicted. There is a clear difference and a clear principle. Members on both sides of the House mentioned in Committee that we should not punish people excessively based on the fact that they have been charged. There is the principle of innocent until proven guilty that still applies to most public law—I shall avoid talking about terrorist offences on this occasion. Clause 30(3) says that during a suspension period, a commissioner does not draw their salary, their pensions or their allowances. That is a punishment, in effect.

[Dr Huppert]

We had a number of discussions in Committee and the Liberal Democrats have had some discussions about our proposals on the way forward. We have also discussed that with the Minister. There is the question of what offences we wish to catch. My hon. Friend the Member for Edinburgh West gave a number of examples of offences that would not be covered by the rules for the possible suspension in the context of offences with sentences greater than two years. I shall not go through every example, but they included racially or religiously aggravated assault or harassment, and I think we would have concerns about a police and crime commissioner who was charged with that. Other similar offences include aggravated vehicle taking, causing damage to property and causing injury. Vehicle taking without consent has a sentence of six months, as does assault on a police constable, as my hon. Friend pointed out. One would have great concerns if a police and crime commissioner was being charged with assaulting police constables, particularly on a regular basis. That would suggest that the relationship was not working.

We must work out what to do. Our proposal—I hope that the Government will respond to it and will consider it as a way forward, and I look forward to hearing any other contributions—is that the period should be brought down from two years to six months, as suggested in the amendment originally proposed by my hon. Friend. It should be specified that the charge should be carried out by the Crown Prosecution Service—by a prosecutor—rather than a police officer, as they have powers to charge in some circumstances. We do not want police constables to be able to get at a commissioner with whom they disagree over some issue.

The flip side of bringing the threshold down to give greater public certainty is that there should be no loss of pay, no loss of pension and no loss of other allowances that would be incurred in the job—the person might not be doing that job during that period, but there might be some ongoing costs. That would avoid excessive punishment while providing public certainty that a prominent figure in such an area was not under a cloud and could not get out from under it.

There should also be a provision, regardless of the threshold, for the commissioner to be able effectively to suspend themselves and to say that there is an allegation against—

Madam Deputy Speaker (Dawn Primarolo): Order. May I remind the hon. Gentleman that we are discussing quite a narrow set of amendments? I am not sure that he is on the point of what we are discussing now—that is, the new clause and the amendments that are being debated and have been selected.

Dr Huppert: I was speaking about Government amendment 14, which I think is in this group.

Madam Deputy Speaker: Order. The hon. Gentleman said at the beginning—and this is my understanding—that that is a drafting amendment and a correction, yet he seems to be making rather a substantial point of debate. If the Government have accepted a change by tabling their own drafting amendment, it normally follows that it is quite minor. That was why I asked him.

Dr Huppert: I had almost finished, Madam Deputy Speaker, and I shall do shortly. There was an interesting debate in Committee about whether we wanted just to correct the drafting order or to go further—

Madam Deputy Speaker: Order. With respect, people can read the *Hansard* report of the Committee. I have given the hon. Gentleman a great deal of latitude. I think he has come to the main point of what he wants to say, so if he could now conclude on that point it would be helpful.

Dr Huppert: I am happy to do so. I hope that the Government will consider what I have said as well as the self-suspension ideas.

Paul Murphy: I support new clause 4, the case for which was so powerfully made, characteristically, by my hon. Friend the Member for Gedling (Vernon Coaker). I hope that the House will divide on it.

I support the idea of deferring the commencement of part 1. Later, there might be the opportunity to debate my amendment, which would exempt Wales from part 1, but this is an opportunity to reflect on a less drastic course of action—that is, the deferral of the commencement of the Bill. There are one or two reasons for that and I hope that the House will bear with me as I set them out.

Not very long ago, the National Assembly for Wales took the unprecedented decision not to give legislative consent to part 1. That, in my experience—which goes back a few years in such matters—is entirely unprecedented. It has never happened before. As a consequence, the Communities and Culture Committee of the National Assembly has asked for the deferment of part 1. Its headline recommendation reads:

"We recommend that the Welsh Government has dialogue with the UK Government to persuade it to defer introducing those aspects of the bill related to the abolition of Police Authorities, and establishment of Police Commissioners and Police Crime Panels in Wales, at least until the effectiveness of their impact in England has been assessed."

That is not a million miles away from new clause 4, which asks for the deferral of the commencement until such an assessment has been made by HMIC. That is why I support the new clause.

Policing, as the Minister will know, is not devolved in Wales, although it is in Scotland and Northern Ireland, but it is different in Wales from in England. I cannot see any evidence that there has been any sort of negotiation, discussion or proper Government-to-Government relationship on the issue of policing in Wales in so far as part 1 is concerned. There might have been, and doubtless the Minister will let us know when he winds up.

In Wales, there is a rather different relationship between the Welsh Local Government Association—to which my hon. Friend the Member for Gedling has already referred and which, incidentally, is not in Labour's hands but is controlled by independents and non-Labour Members—police authorities in Wales, of which there are four, and the Welsh Assembly Government. That relationship is very special because it touches on a working partnership arrangement between the police authorities in Wales and the National Assembly that is unique in the United Kingdom. It seems proper to me to repeat the arguments used in Wales by local government, by the police authorities, by the National Assembly and

by the Welsh Assembly Government to ask for the commencement of part 1 to be deferred. One chief reason those bodies ask for the deferment is the fact that there are rather different financial arrangements in Wales for policing. Half of Welsh police forces get their money from the Welsh Assembly.

3 pm

In addition, the proposals for police commissioners will inevitably be very expensive, as my hon. Friend said. I understand that only £30,000 per police force will go towards meeting the gap in paying the salary of the police commissioners and paying for police and crime panels. Over the next few years, Wales faces a reduction in its funding through the Barnett formula of nearly £2 billion. It is absolutely daft to introduce such highly expensive measures in Wales when, frankly, there is no appetite for them.

I read in the *Official Report* of the Public Bill Committee that the Minister said that there was evidence that in 2008 only 7% of people in England knew what police authorities did. There is a counter-issue in Wales, where a survey that was taken much more recently than 2008 indicated that 82% of Welsh people knew precisely what police authorities did. That is because in Wales, we are different and we are smaller.

The final point that I wish to make—I know that other Members want to speak—is that the decision by the Assembly not to give legislative consent to part 1 of the Bill and the decision by a major Committee of the Assembly to ask for deferment of the commencement of the Bill place this decision on a rather different level: it is now about the relationship between the United Kingdom Government and the devolved Administrations. A day or so after the general election, the Prime Minister came to Wales and talked about a respect agenda, in which he would respect the views of the devolved Administrations in Cardiff, Edinburgh and Belfast. It seems to me that there is little respect in this measure, unless we can get a positive indication from the Minister that there will be a deferment of part 1 as far as Wales is concerned. If that is not the case, I suggest to the Minister that the Welsh Assembly Government will invoke the Joint Ministerial Committee, which is in place to ensure that disputes are resolved between the United Kingdom Government and the devolved Administrations. Otherwise, in addition to what I think is a deeply flawed measure, there will be an issue between two Governments in the United Kingdom, which we definitely do not want.

Simon Hart: I will restrict my comments to the impact of elected commissioners in west Wales, an area that has been referred to already. My comments are driven not by ideology, as some have suggested, but by my practical experience of the area, the reaction of police officers both junior and senior, and, perhaps even more importantly, the reaction of members of the public.

The context to this debate is the ongoing consultation about the future of the coastguard. One might wonder what the connection is, but it is simply that around Milford Haven—the important waterway that divides the constituency of Preseli Pembrokeshire from Carmarthen West and South Pembrokeshire—there is an enormous local attachment to and affection for that emergency service, which might not immediately appear to be an

emergency service. Our community is proud of it, feels that it is part of it, and feels that it owns it. It is part of the fabric and architecture of the community. People in the community know only too well that if they pick up the telephone, they will get a trustworthy and local response to what are often traumatic problems.

The reason why I paint that little contextual picture is that Dyfed Powys police, to whom the shadow Minister referred, cover a vast and diverse area. The Minister is not entirely unfamiliar with the area. The police force is not devoted purely, as some would flippantly suggest, to sheep rustling and stolen quad bikes. One in seven terrorist incidents in the UK have a connection to our constabulary. It has the onerous responsibility of looking after the UK's most important energy hub in Milford Haven, which has two refineries, two liquefied natural gas terminals, and the biggest gas-fired power station under construction in Europe. It is an important strategic area, which our stretched police force has to look after. That is the reason for the great connection with the local community, which I would argue is not enhanced under the current arrangements, but would be enhanced under the proposed arrangements.

Opposition Members may argue that I am simply trotting out the ideological prose as laid out by my elders and betters, but I consulted just three people in preparing the comments that I am about to make: two police constables currently serving in the Dyfed Powys force, and one rather more senior officer with whom I had a conversation at the weekend. The local police authority has—reasonably, sensibly and in a measured fashion—repeated the concerns that the shadow Minister articulated.

The two police constables, without any provocation, said to me, "At long last we'll be able to do the job that we originally joined up to do." I pushed them on this point, and their responses entirely endorse the Government's proposals. They endorse, welcome and encourage the involvement of the local community. The crime panels, which are not directly related to new clause 4, will provide the accountability that some suggest is missing. The involvement of local authorities and elected individuals who are accountable to their wards and regions is a crucial piece of this jigsaw. As was said by two police constables and a more senior officer, whose rank I cannot reveal lest I give away his identity, that involvement will lead to improved prioritisation, which is in the community's interests; improved cost effectiveness, which is vital in the Dyfed Powys force; and improved customer satisfaction—a phrase I hesitate to use.

In discussing cost and budget reductions in the coming weeks and months, the senior officer was certain that Dyfed Powys police could maintain a decent police force that would safeguard the interests of the community and businesses. However, he said that it would be different. It will not smell the same, and in many regards there will be an entirely different form of policing from what we have been used to. That does not mean that it will compromise the safety of the community or that crime will rise. Those ideas are being bandied about irresponsibly by mischief makers. The changes do not mean for one minute that people will sleep less safely in their beds; quite the opposite. There is a realistic recognition that things have to change, that they will change and that

[Simon Hart]

they will look different, but that those changes will guarantee a reasonable cost-effective police force for our community.

Only this morning in Prime Minister's questions, as Members will recall, there was a suggestion that the proposals will compromise safety and the interests of the communities and the many businesses that rely on police protection—particularly in Milford Haven. I really would urge caution, because that is not the case. It is irresponsible for Opposition Members to bandwagon, to make political statements and to suggest that the proposals will damage the safety of our communities.

The House need not take this point from a lowly Member who represents a distant part of west Wales that most Members, I regret to say, have probably never heard of. As evidence, I put to the Minister the impassioned pleas of two police constables and a senior officer in one of the forces that will be most affected by the proposals. They say that there is nothing to fear, and that with a reasoned approach and a sensible balanced debate we can produce an outcome that is in the interests not only of the Treasury, which always lurks somewhere in the shadows of these debates, but of our communities, which have such great affection for their police forces, upon which they so permanently and reasonably depend.

Keith Vaz: It is a pleasure to follow the hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart), who rightly put the debate in the context of what is happening locally in his constituency. Every right hon. and hon. Member can talk about the local impact of the changes that the Government are making, but I will concentrate my remarks on new clause 4, and particularly on the desire of Opposition Front Benchers that there should be an impact study of the Government's proposals before they are put in place.

The Government have embarked on a very ambitious and challenging policing agenda. I have just finished reading the speech that the Minister for Policing and Criminal Justice made on Monday, and he used in it the memorable words:

"Reform cannot wait; we do not have the luxury of delay while a committee of wise men"—

slightly politically incorrect—

"deliberate and eventually agree to differ."

I am not sure whether the Home Secretary would compose a committee of that type, but what the Minister was saying was that the Government want to get on with reform.

Those of us who serve on the Home Affairs Committee have been pretty exhausted by the amount of proposed legislation and the changes that the Government have brought into effect since last May. However, one would expect that from a Government who took office after 13 years in opposition. Of course Ministers, particularly the Minister for Policing and Criminal Justice, who I know has a passion for the debate on policing, want the Government to get on with what they want to do.

Michael Ellis: Was the right hon. Gentleman not also exhausted by the 13 years of the previous Government and their 10 criminal justice Bills and 3,000 new criminal offences?

Keith Vaz: I say to the hon. Gentleman, who has recently joined the Home Affairs Committee, that I was totally exhausted. That was why I hoped we would have a little break when the new Government got into office. Members of the Committee who are in their places today—my hon. Friend the Member for Houghton and Sunderland South (Bridget Phillipson) and the hon. Members for Rochester and Strood (Mark Reckless) and for Cambridge (Dr Huppert), and indeed the hon. Gentleman himself when he is freed from the Protection of Freedoms Bill Committee, on which he is currently sitting—know that the change is rapid. I therefore have some sympathy with the Opposition Front Benchers' proposal that there ought to be an impact study.

However, I am not absolutely convinced that the best organisation to perform the impact study is Her Majesty's inspectorate of constabulary. I hope my hon. Friend the Member for Gedling (Vernon Coaker) will convince me of that by the time we get to the Division Lobby. I am not sure where that organisation will fit in the new landscape of policing. If my hon. Friend believes for one moment that a report by HMIC, even though it is under the distinguished leadership of Sir Denis O'Connor, will unite the House or provide the basis for moving forward, he can look at what happened to the report that it published yesterday. Opposition Front Benchers accepted it, but I caught a glimpse of the Minister on the BBC yesterday, and he did not necessarily accept the report. He may or may not have accepted part of it, but as we all know, he certainly did not accept that front-line policing would be affected. It was interesting to hear the Prime Minister's views on that today.

My plea is that the enormous reform and challenging agenda ought perhaps to pause for a short while, to allow Parliament to consider in even greater detail what the Government are proposing. The Home Affairs Committee has published a report on police commissioners. We did not comment on the idea, because we took it as read that the Government wished to introduce them, depending on the outcome of the Bill, which has yet to be finally voted upon. We examined the implications of what the Government planned to do once the commissioners were in place. I am glad to see that the Government have accepted a number of the points that we made, particularly about clarifying the relationship between the commissioners and the chief constables. We will discuss that in a later debate.

My concern is that we are not stopping and thinking clearly enough, even if we might want to go in the direction that the Government suggest. The Home Affairs Committee examined the need for a study of the proposals, and obviously the most appropriate body to make one would have been the Committee itself. However, we have been rushing to deal with each piece of Government legislation as quickly as we possibly can. I am not sure that HMIC should produce the study, though.

My hon. Friend the Member for Gedling was one of the best Ministers in the last Government, and when he left the Home Office he had gained a huge reputation for what he had done. He will correct me if I am wrong, but I am not sure that when the previous Government introduced radical changes they asked HMIC for an impact study or paused to allow other bodies to conduct inquiries. I can well remember, as Chairman of the Home Affairs Committee, a proposal from the then Home Secretary to replace police committees. Then, all

of a sudden, we received a letter saying that the Government had changed their mind, having accepted in full our recommendations on the subject. There is a danger in picking the wrong organisation to undertake the study. The point that I believe my hon. Friend is trying to make in new clause 4, which is the right point to make, is that we should stop and consider the matter, not that we should necessarily delay it.

3.15 pm

In his speech on Monday, in the section on reform, the Minister was clear that he rejected the idea of a royal commission. He quoted Harold Wilson as saying that royal commissions are agreed in minutes and take years. But the process need not necessarily take that long. The Minister has a close view of the nature of policing, and the Home Affairs Committee has started a new inquiry, which I hope will not last longer than our previous policing inquiry. We hope that it will last about four months. We will examine the nature of the new landscape and take on board what the public want and need.

In his speech the Minister also spoke about the need for the people, not the Government, to run the police force—he was citing the views of Ian Blair, the former Metropolitan Police Commissioner. There are many stakeholders, including the Police Federation, the Association of Chief Police Officers, the superintendents, the public and many others, and they all need to be consulted on the changes.

Because of the background to the discussion, which we all accept is a cut of 20% in police finances—I mean that we all accept that that is the background, not that we all accept the cut—this is a very difficult time for the police service. I am sure the Minister will not accept new clause 4, but we are looking for words from him that will show that the Government understand the need to pause. Perhaps there is not a need for a royal commission lasting years and years, but there is a real need for a debate about what policing means to ordinary people. That would be extremely helpful, including to the Home Affairs Committee in its current deliberations.

We have not started our report yet, but we hope to have it ready by the end of July. We hope that it will give the Minister the opportunity to fashion his new landscape not from the top downwards, but starting with the public and moving upwards. Sometimes we worry a little too much about chief constables and the people right at the top, and not enough about the police constables. That is why it is so interesting to hear what the hon. Member for Carmarthen West and South Pembrokeshire said. It is the bobby on the beat, the neighbourhood police officer, on whom the policing reforms will have an impact. Let us start with them and move upwards, rather than start at the top and move down.

The Minister for Policing and Criminal Justice (Nick Herbert): First, I apologise to the Chairman of the Home Affairs Committee, the right hon. Member for Leicester East (Keith Vaz), for exhausting him. I look forward, of course, to his inquiry. I very much hope that he will invite me to give oral evidence, but that is entirely a matter for him and his Committee. I am sure that the Home Office will submit written evidence, but of course I welcome the inquiry, as I have welcomed all his reports since he assumed the chairmanship.

It seems to me that the purpose of new clause 4 is to delay the enactment of the important part of the Bill that will create directly elected police and crime commissioners. That has been expressed pretty openly. The right hon. Member for Torfaen (Paul Murphy) was explicit about the fact that he sought that for Wales, so I will seek to address that point.

As I argued in my speech to the Institute for Public Policy Research on Monday, which is on my website and which I am happy to send to any hon. Member—I am grateful to the right hon. Member for Leicester East for quoting it—I do not believe that there is time for delay, because the changes that we need to make to policing are urgent. The democratic deficit must be addressed, and there is a need to drive savings at local level more strongly than they have been driven before. We therefore need to undertake this reform.

Furthermore, if the Government signal any kind of delay now, which the Government emphatically do not wish to do, we would create uncertainty, at a time when, subject to the further deliberations of the House and the other place, others outside are preparing in the expectation that the Bill will become law—the House gave a Second Reading to the Bill—and that the first elections for police and crime commissioners will take place in 2012.

The Home Office has a transition board, which I chair, which includes all parties, including ACPO and the Association of Police Authorities. Those parties may not have proposed the Government's measure, and they may not be wholly happy with it, but they nevertheless sensibly recognise that it makes sense to sit down and discuss how the changes should be put into place.

I want to emphasise that although the Government are determined to proceed with the Bill and its reform, we have listened. I hope the hon. Member for Gedling (Vernon Coaker) accepts that we listened in Committee, when I believe we had a constructive debate. We also listened to those outside—important views have been put to us—and to the Home Affairs Committee. We will come to debate what the Committee describes as the memorandum of understanding to protect operational independence—we call it a protocol—but we agree that it is a good idea.

We also listened to ACPO's concerns on ensuring that strategic policing is addressed despite the greater localisation expressed in the Bill. As a consequence, the Bill provides for the strategic policing requirement. We have also strengthened the powers of police and crime panels. The Government have listened and sought to address concerns, but we nevertheless remain committed to the introduction of police and crime commissioners, with the first elections in May 2012, although we could move sooner in London, which already has a Mayor.

The right hon. Member for Torfaen referred to the National Assembly for Wales Communities and Culture Committee request for a deferment of the provisions and asked whether the Government have held discussions with the Welsh Assembly Government. I must reassure him that, right from the beginning, we have sought such discussions and to respect the devolved arrangements in Wales. I have met the Minister responsible, as has the Home Secretary, and our officials have had a great deal of discussion.

[Nick Herbert]

The Assembly Government have made it clear that they do not favour police and crime commissioners, but of course, policing is a reserved matter, and the House of Commons has decided that police and crime commissioners should apply in England and Wales—that is what the Bill says. The question is whether we can find arrangements that respect those aspects of the devolution settlement that are within the competence of the Welsh Assembly. We sought to do that through the legislative consent motion that we tabled, which we will shortly debate further.

I very much regret that the Welsh Assembly did not pass that motion, but I repeat that we have at all times sought to address the Welsh Assembly Government's proper concern, while recognising that it is equally proper that the House of Commons decides on that reserved matter. Saying that we must always follow a request from the devolved Parliament or one of the Assemblies for a deferment is tantamount to saying that the matter is no longer reserved. For so long as the matter is reserved, I believe that the right decisions have been taken.

Paul Murphy: I remind the Minister that things are not quite as simple as saying that policing is reserved. Policing is of course reserved, but aspects of the Bill touch on matters that are not reserved. Local government, which is wholly reserved in Wales, has a huge role to play on the panels, so it is not quite as simple as he says it is. There is more room for negotiation with the Welsh Assembly Government on those very important matters.

Nick Herbert: I absolutely accept what the right hon. Gentleman says. Local government matters are not reserved and local government touches on the panels, but that is precisely why we negotiated the legislative consent motion. It is deeply unfortunate that despite the fact that I negotiated that motion with the Minister responsible, Carl Sargeant, and he agreed it, he did not vote for it. As I said at the time, I regret that, because it was self-defeating. The motion sought to put in place the special arrangements for police and crime panels in Wales, on which the Welsh Assembly Government would have representation. I emphasise to the right hon. Gentleman that we really tried to reach an arrangement and to respect the devolution settlement.

Mark Tami (Alyn and Deeside) (Lab): The point that my right hon. Friend the Member for Torfaen (Paul Murphy) makes is that the mechanism for election to police panels is a devolved matter, meaning that the Assembly is responsible. How does the Minister square that circle?

Nick Herbert: If I may, I will come to that matter when we reach that specific group of amendments, because the Government have tabled amendments to address it. We must find a way to ensure that the Bill is consistent with the wishes of the Welsh Assembly, which it expressed in rejecting the legislative consent motion. I shall address that question at the appropriate time, but I wanted to respond specifically to the right hon. Member for Torfaen.

When moving new clause 4, the hon. Member for Gedling made a number of wider points in which he attempted to open up once again the arguments for and against police and crime commissioners. I shall not dwell on those other than to say that he has expressed support in the past for the concept of a direct component in police authorities, as was ably pointed out by my hon. Friend the Member for Northampton North (Michael Ellis).

In addition, in Committee, the hon. Member for Gedling moved an amendment for directly elected chairs of police authorities, and the previous Government twice proposed a democratic element. I accept that there is a difference between that Government and this one, but the difference is not that this Government do not believe in democratic reform of police authorities—it appears that all parties do. Rather, the difference is that the previous Government backed down twice, but we have no intention of doing so, because there was a Conservative party manifesto commitment, and as my hon. Friend the Member for Cambridge (Dr Huppert) pointed out, because having directly elected police authorities was separately a Liberal Democrat manifesto commitment.

We now know that the latest proposal from the hon. Member for Gedling is for directly elected chairs of police authorities. In moving and voting for that amendment, the hon. Gentleman wholly undermined his argument on cost, because implementation of directly elected chairs of police authorities would cost not the same as police and crime commissioners, but more. Therefore, the most expensive proposal for democratic reform of police authorities in the House of Commons is from the Opposition spokesman.

What is wrong with proposed new clause 4—I agree with the right hon. Member for Leicester East on this—is that it would put in the hands of the inspectorate of constabulary the power to hold an inquiry, and thereby to delay implementation of the Bill. Constitutionally, that would be very difficult. It would place the inspectorate in an invidious position. Parliament should decide reforms of this kind, after taking into account the views of both Houses and consulting widely. The idea that we can somehow park these matters into an inquiry by an independent body that is meant to look at the effectiveness and efficiency of policing is wrong. It would be very wrong for that organisation to do that, as it would effectively set up the inspectorate as judge and jury on a decision that Parliament had made. We therefore believe that these measures are the right thing to do, and we intend to proceed with them. Nevertheless, we are listening and will continue to do so.

In conclusion, on new clause 4, I would like to point out that, when the previous Home Secretary, the right hon. Member for Sheffield, Brightside and Hillsborough (Mr Blunkett) was proposing democratic reform of police authorities, he said that those who claimed to have the power, and who wished to hold the power, should therefore be accountable for the power. That is the right principle, and the basis on which we should proceed.

Keith Vaz: I do not wish to interrupt the right hon. Gentleman's peroration, but I want to make a point about the timing of the election. During the course of the inquiry, the Select Committee picked up some concern

about the election taking place in May next year, just before the Olympics, when people ought to be concentrating on security measures and related issues. Is the Minister quite satisfied that this is the right timing?

3.30 pm

Nick Herbert: The right hon. Gentleman makes a genuine point. There are two answers. First, I have said that the Government wish to move sooner in relation to London. The transition in London could therefore be made before the elections in 2012. Secondly, the measures relate to a change in the governance of policing. The Bill will not affect the police forces themselves. There are important changes being made, but this is principally a change to the governance of policing. There should be proper discussion, to ensure that in the run-up to the transition the police authorities do not lose sight of such important matters and that the forces that they hold to account do not do so either.

The remaining group of Government amendments will not, I hope, be controversial. They are all of a minor and technical nature, and I will summarise them briefly now. Amendments 6 and 8 will clarify the wording of the Bill so that a commissioner—or, in London, the Mayor's office for policing and crime—will be obliged to consult a chief officer of a force on a new or revised plan only to the extent that its content is actually new. At present, the wording of the Bill includes two repetitious obligations to consult on the plan—for example, in clause 5, subsections (6)(b) and (8). It would make no sense legally to compel such individuals to consult again on material that had already been discussed. I would expect such discussion to occur naturally and when necessary between a commissioner and his chief officer, so this new wording merely puts a duty on the commissioner to ensure that new content is drawn to the chief constable's attention. Any more burdensome requirements would be needlessly bureaucratic and prescriptive.

Amendment 9 will bring the police and crime plan issued by the Mayor's office for policing and crime into line with other mayoral strategies, in regard to some of the matters that the Mayor has to bear in mind when drafting the plan. It is right that there should be a consistent and joined-up approach to the plan and the other strategies. Amendment 10 will clarify the scope of the duty on commissioners and criminal justice bodies to co-operate with each other. On the purpose of the co-operation, it replaces the word "in" with the word "for" in the phrase

"so as to provide an efficient and effective criminal justice system in the police area"

in relation to a commissioner's responsibilities for criminal justice "for their force area". This reflects the fact that elements of the system such as a court or a prison that are outside the geographical area of the force may still contribute to the criminal justice system inside the area.

Amendment 12 makes it clear that the general bar on a commissioner delegating the discharge of his functions to another commissioner or a chief constable does not prevent the delegation of functions in the context of a formal collaboration agreement. Amendment 13 will correct a reference to the wrong subsection in the provisions dealing with the delegation of the functions of the Mayor's office for policing and crime to the Deputy Mayor for policing and crime.

Amendment 14 will correct an internal inconsistency in clause 30, which deals with the suspension of a commissioner. We noted the inconsistency in Committee. Clause 30(1) makes it clear that the threshold for suspension is that the commissioner has been charged with an offence carrying a maximum term of imprisonment exceeding two years, but clause 30(4) incorrectly refers to the limit as a maximum sentence of two years or more. The amendment ensures that those references are consistent. I have noted the suggestions of my hon. Friend the Member for Cambridge (Dr Huppert) for a better way to proceed on suspensions. We had a debate about that in Committee, and I suspect that the other place will return to the matter. The Government will pay attention to the concerns that are expressed. However, we are clear that the current threshold is proportionate, striking the correct balance between protecting the public from criminals and not suspending the public's representative for trivial offences.

Amendment 15 will correct an inconsistent use of language in the amendments that the Bill makes to the Police Act 1996, reflecting the fact that a commissioner will have the same function of maintaining the police force in his police area as a police authority has now under the 1996 Act. Amendment 20 will ensure that, while members of a commissioner's staff may be compelled to answer questions and provide documents to a police and crime panel, they will not be required to divulge advice that may have been provided to the police and crime commissioner. That brings the provisions on commissioners into line with the existing arrangements for the Mayor of London, which we are retaining while replacing the Metropolitan Police Authority with the Mayor's office for policing and crime. Not doing so would weaken a commissioner's decision making power, as all discussions could potentially be subjected to criticism, which would discourage the free and frank flow of ideas.

I apologise to the House for going into such detail, but I think that it is important to give the public clarity on the amendments. Amendments 31, 32, 38 and 39 concern the appointment of a commissioner's chief executive. The current wording refers to a "qualified" person. However, the Bill does not impose any qualifications in respect of candidates for appointment as chief executive—in contrast to the position of the chief finance officer, who must be financially qualified in accordance with local government legislation—so there is no need to include the word "qualified".

Amendments 33 and 40 correct a drafting error in which references to the chief constable in amendment 33 and the Metropolitan Police Commissioner in amendment 40 should have been references to the police and crime commissioner and the Mayor's office for policing and crime, respectively. Amendments 34 to 37 and 135 to 138 are included to make references to police staff consistent with the rest of the Bill, which refers to them as "police civilian staff". Amendment 42 is included simply to clarify the Bill. In its present wording, it is unclear what paragraph (2)5 of schedule 7 is referring to when it uses the phrase "for these purposes". The amendment makes it clear that this means the purposes of sub-paragraph 6.

Amendment 50 will correct a minor drafting error in relation to the replacement of the strategic policing priorities with the Home Secretary's new strategic policing

[Nick Herbert]

requirement. It amends the section of the Police Act 1996 that deals with policing objectives, which in future will apply only to the Common Council of the City of London in its capacity as a police authority, with the effect that the Common Council will frame its objectives so as to be consistent with the strategic policing requirement, rather than strategic priorities. This will bring the Common Council into line with other policing bodies. It was our intention to achieve that outcome, but the Bill as drafted did not do so.

Finally, amendment 51 changes a reference to "authorities" in respect of arrangements for the police negotiating board to "persons and bodies". This is simply to reflect the fact that police and crime commissioners are replacing the word "authorities" and it will no longer be applicable in this context.

Vernon Coaker: I thought the ending of that was brilliant.

Let me say in all seriousness to the Minister that he is introducing a change to the model of policing in this country—the biggest change for centuries—without one shred of evidence that it is the right thing to do. In his response, we heard not one study cited, not one chief police officer quoted, not one police authority quoted, not one council quoted—as I say, not one shred of evidence in support. All the Minister did was repeat what he has done before—stand at the Dispatch Box and assert that he knows best. He accuses me of elitism, but I can see where the elitism lies when it comes to someone saying that they know best. This is no way to reform the police service; it should be done on the basis of evidence.

I have a couple of quick points. I agree with my right hon. Friend the Member for Leicester East (Keith Vaz), the Chairman of the Home Affairs Select Committee, that Governments sometimes need to pause and look at what they are doing. That is the purpose of the new clause. It invites us to reflect on the evidence and on what people are saying and then to legislate and reform on the basis of that evidence, not ideological commitment. My right hon. Friend may well think that there is an alternative to Her Majesty's inspectorate of constabulary when it comes to who is best placed to carry out the report. Perhaps his Select Committee or other bodies should be involved, but it does not alter the fact that, as he says, we sometimes need to take stock and reflect on how best to move forward and make change.

I also want to deal with what was said by my right hon. Friend the Member for Torfaen (Paul Murphy) and the hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart). When the hon. Gentleman goes back to his constituency, he should tell the people he has been talking to in his local authority and others that, as my right hon. Friend said, proposals in the Bill mean that if local authorities do not nominate members for the police and crime panels, the Home Secretary will take upon herself the power to impose individuals on those panels. That is why my right hon. Friend and others from Wales are so upset by the proposals, which effectively drive a coach and horses through the devolution settlement. Yes, police and crime commissioners are a reserved matter, but local authorities are a responsibility of the Welsh Assembly. That explains why there is such upset and disquiet about the proposals in Wales.

This is a hugely important issue. As I said, the Association of Police Authorities, the Association of Chief Police Officers, the Local Government Association, council after council and ordinary police officer after ordinary police officer all oppose this measure. We have heard not a shred of evidence from the Government. That is why we say there should be an inquiry so that we can take stock, reflect and reform on the basis of evidence, not ideology. I therefore press the new clause to the vote.

Question put, That the clause be read a Second time.

The House divided: Ayes 224, Noes 320.

Division No. 242]

[3.41 pm

AYES

Abbott, Ms Diane	David, Mr Wayne
Abrahams, Debbie	Davidson, Mr Ian
Ainsworth, Mr Bob	Davies, Geraint
Alexander, Mr Douglas	De Piero, Gloria
Alexander, Heidi	Dobbin, Jim
Ali, Rushanara	Dobson, Mr Frank
Allen, Mr Graham	Docherty, Thomas
Anderson, Mr David	Dodds, Mr Nigel
Austin, Ian	Donaldson, Mr Jeffrey M.
Bailey, Mr Adrian	Donohoe, Mr Brian H.
Bain, Mr William	Doran, Mr Frank
Balls, Mr Ed	Dowd, Jim
Banks, Gordon	Doyle, Gemma
Barron, Mr Kevin	Dromey, Jack
Bayley, Hugh	Durkan, Mark
Beckett, Mr Margaret	Eagle, Ms Angela
Begg, Dame Anne	Edwards, Jonathan
Bell, Sir Stuart	Efford, Clive
Benn, Mr Hilary	Elliott, Julie
Berger, Luciana	Ellman, Mrs Louise
Betts, Mr Clive	Evans, Chris
Blackman-Woods, Roberta	Farrelly, Paul
Blenkinsop, Tom	Field, Mr Frank
Blomfield, Paul	Fitzpatrick, Jim
Blunkett, Mr David	Flelo, Robert
Bradshaw, Mr Ben	Flynn, Paul
Brennan, Kevin	Fovargue, Yvonne
Brown, Mr Nicholas	Gapes, Mike
Brown, Mr Russell	Gilmore, Sheila
Bryant, Chris	Glass, Pat
Buck, Ms Karen	Glendon, Mrs Mary
Burnham, Mr Andy	Godsiff, Mr Roger
Byrne, Mr Liam	Goggins, Mr Paul
Campbell, Mr Alan	Greatrex, Tom
Campbell, Mr Ronnie	Green, Kate
Caton, Martin	Greenwood, Lillian
Chapman, Mrs Jenny	Griffith, Nia
Clarke, Mr Tom	Gwynne, Andrew
Clwyd, Mr Ann	Hain, Mr Peter
Coaker, Vernon	Hamilton, Mr David
Coffey, Ann	Hanson, Mr David
Cooper, Rosie	Harman, Ms Harriet
Cooper, Mr Yvette	Havard, Mr Dai
Corbyn, Jeremy	Hendrick, Mark
Crausby, Mr David	Hepburn, Mr Stephen
Creagh, Mary	Hermon, Lady
Creasy, Stella	Heyes, David
Cruddas, Jon	Hillier, Meg
Cryer, John	Hilling, Julie
Cunningham, Alex	Hodge, Mr Margaret
Cunningham, Mr Jim	Hodgson, Mrs Sharon
Cunningham, Tony	Hoey, Kate
Curran, Margaret	Hood, Mr Jim
Dakin, Nic	Hopkins, Kelvin
Danczuk, Simon	Irranca-Davies, Huw

Jackson, Glenda
Jarvis, Dan
Johnson, Diana
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elyfn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McGovern, Alison
McGovern, Jim
McKechin, Ann
Meacher, rh Mr Michael
Mearns, Ian
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme (*Livingston*)
Morris, Grahame M.
(*Easington*)
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby

Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Shuker, Gavin
Simpson, David
Skinner, Mr Dennis
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Graham Jones and
Phil Wilson

NOES

Adams, Nigel
Atriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve

Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard

Beresford, Sir Paul
Berry, Jake
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishtli, Rehman
Clappison, Mr James
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C.
(*Monmouth*)
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne

Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Hunt, rh Mr Jeremy
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon

Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Munt, Tessa
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen

Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Wharton, James
Wheeler, Heather

White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny

Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mark Hunter and
Jeremy Wright

Question accordingly negatived.

Mr Deputy Speaker (Mr Nigel Evans): I have now to announce the result of a Division deferred from a previous day. On the question relating to local government, the Ayes were 297 and the Noes were 187, so the Ayes have it.

[The Division list is published at the end of today's debates.]

New Clause 5

MEMORANDUM OF UNDERSTANDING

'(1) The Secretary of State must publish a Memorandum of Understanding on the Operational Responsibility of Chief Constables detailing where their actions shall be independent of the Police and Crime Commissioner.

(2) The Secretary of State may by regulations made by statutory instrument bring into force the Memorandum of Understanding published under subsection (1).

(3) Regulations under subsection (2) may not be made unless a draft of the instrument has been laid before, and approved by a resolution of each House of Parliament.'—(Vernon Coaker.)

Brought up, and read the First time.

Vernon Coaker: I beg to move, That the clause be read a Second time.

Mr Deputy Speaker: With this it will be convenient to discuss the following:

Amendment 149, page 2, line 44, clause 2, at end insert—

'such that the police and crime commissioner shall have no involvement in decisions with respect to individual investigations and arrests.'

Amendment 155, page 4, line 15, clause 3, at end insert—

'(8A) The Mayor's Office for Policing and Crime must not ask, require or encourage the Commissioner of Police of the Metropolis to act in a manner which could—

(a) put the Commissioner in breach of his attestation under oath in accordance with Schedule 4 of the Police Act 1996; or

(b) conflict with the Commissioner's exercise of direction and control under section 4(3).

(8B) If the Commissioner of Police of the Metropolis reasonably believes that the Mayor's Office for Policing and Crime has asked, required or encouraged him to act in a manner that is prohibited under subsection (8A), he may notify the London Assembly police and crime panel.

(8C) For the avoidance of doubt, any purported direction by the Mayor's Office for Policing and Crime under subsection (8A) has no legal effect.'

Vernon Coaker: This group of provisions is smaller, but none the less important. It is difficult for us to discuss new clause 5 without a draft of the code of practice, memorandum of understanding or protocol, as we are now to call it. He will know that in Committee

I consistently and persistently asked for a draft to be ready for our consideration. To be fair, he did not say that one would be ready for Report, and I am not suggesting that he did, but I expected that a draft of a draft would be available, and I think that most members of the Committee would have expected the same.

A huge change to policing is being made. The Minister and the Government have accepted what I said and what was in the Home Affairs Committee report, which was that such is the importance of the protocol detailing the responsibility of the police and crime commissioner vis-à-vis the chief constable—others, for example, the police and crime panel, could be included, as has been suggested—we should have it, yet we are discussing it without knowing even what shape it will be. We do not even know what things might be included in it. The Minister will say, "Don't worry, it will be ready for the House of Lords." Why should this House not have a draft available to it, so that it can consider what is in the protocol and make representations about it?

We have no way of knowing what will be in the protocol. Let us suppose it contains things that members of the Committee think should not be in it. I do not know what influence the hon. Member for Cambridge (Dr Huppert) will have, but what happens if he does not agree with what is in it? He will have no opportunity to say anything about it. The hon. Member for Amber Valley (Nigel Mills) served on the Committee with the hon. Member for Cambridge. What happens if he thinks that the protocol should not include one thing but should include another? Why should we not be able to look at it?

If the Minister was stood where I am and I was sat where he is, he would be saying exactly the same thing to me. He would be saying that it is impossible for us to legislate properly because we simply do not know what we are legislating about. It is not good enough to say, "Don't worry, it will go to the House of Lords." We have the most fundamental change in policing before us and we have no idea what the Government's protocol is, although they have accepted that we should have it—that is not good enough. I do not believe that hon. Members on either side of the House would think, either in public or in private, that that is acceptable either. How does, "It will be ready for the Lords" help us to discuss this?

New clause 5 states that any such protocol must have some statutory force. The Association of Chief Police Officers believes it should be enshrined in primary legislation. The Minister said that would be very difficult, so we looked at whether an order-making power could be introduced to allow us to consider the protocol, as it would then be subject to the affirmative procedure in this House and the House of Lords.

4 pm

Mr Greg Knight (East Yorkshire) (Con): Does the hon. Gentleman accept that the new clause, as drafted, is in pretty poor shape? Even if we accepted it into the Bill, could not the Minister publish a memorandum under subsection (1) containing the word "none"?

Vernon Coaker: That might be a good debating point, but as a Bill goes through the House we need to debate its principles and the right legislative approach. We do not have the Queen's counsel support that is available to

the Minister, so the odd drafting error might occur, but that does not alter the thrust of what we are trying to do through the new clause. If the right hon. Gentleman had been here for the earlier debate he would know that the Minister, even with his bank of lawyers, supporters and helpers, has had to propose a number of amendments to correct drafting errors. So it is not only me who makes the odd drafting error, but I am doing it on my computer. Notwithstanding any drafting error, if we regard as right the principle that a protocol or memorandum of understanding should be subject to the affirmative resolution procedure of the House, we should support it.

In its evidence and the report it issued yesterday, ACPO said that

"there are three broad areas where we believe improved safeguards are required".

I shall deal with only the first of those three, as it relates to the new clause. ACPO said of the first area:

"Clarity on the responsibilities of the PCC"—

the police and crime commissioner—

"and Chief Constable. The proposed 'protocol' is still early in its development. We believe such a key document will need to be specific and legally binding—such as through a Code of Practice founded in law."

That was ACPO's advice yesterday. It continued, at paragraph 50:

"ACPO has real concerns that the Bill does not fully recognise the uniqueness of the tripartite system between the Home Secretary, Chief Constables and local democratic governance. It is considered that the Bill places too much emphasis on local considerations giving disproportionate power to the PCC to the detriment of the necessary national and legal responsibilities placed upon the Home Secretary and Chief Constables. Our concern is to ensure that Chief Constables have sufficient operational independence safeguarding their impartiality to balance the various duties and accountabilities they face. Currently, it is at best uncertain that the safeguards under development in parallel with the progress of the Bill will achieve that aim."

I think ACPO is clearly telling the Minister that he needs to amend the Bill in a similar way to that suggested in my new clause.

Mark Reckless: The hon. Gentleman is telling us what ACPO said yesterday, but it is not easy for the Minister because ACPO has previously taken an entirely different line. Sir Hugh Orde told the Home Affairs Committee that he did not want anything entrenched in legislation.

Vernon Coaker: No doubt members of ACPO, including Sir Hugh Orde, its hugely respected president, will have considered the discussions on the Bill and will have continued to discuss it with colleagues in deciding on the most appropriate advice and guidance to give the Government. ACPO has regularly said that it is for the Government to determine the governance structure, but it will do its best, whatever structure is finally decided, to implement it and deliver the policing that we would all wish to see. However, it also has a responsibility to point out to the Government where there are problems, and it has done so in guidance. There is a serious need for clarity from the Government regarding the memorandum of understanding, code of practice or protocol.

It is not acceptable for this issue not to be subject to a legislative process, and I should be interested to learn whether the Minister agrees. He has agreed that there

[Vernon Coaker]

should be a protocol, and a draft is in the throes of production—no doubt, a group is working on it, and discussions are under way. I suspect that there are disagreements, which is why it has not been issued yet—it is proving more problematic than the Minister expected.

We need a protocol, because we need to clarify the role of the police and crime commissioner vis-à-vis the chief constable. In Committee, we debated at length what their respective roles should be. The police and crime commissioner is elected on a local mandate and will make certain promises, but what is their mandate vis-à-vis the chief constable? Where is the line drawn between what the commissioner would wish to do and the chief constable's operational responsibilities?

It is interesting that an amendment has been tabled by some of the Minister's colleagues, who are as concerned as I am. Indeed, the Chair of the Home Affairs Committee, my right hon. Friend the Member for Leicester East (Keith Vaz), has added his name to amendment 149. The hon. Member for Rochester and Strood (Mark Reckless) is the lead Member for the amendment, and he is clearly concerned. The amendment has a great deal of merit, and it tries to deal with the issue. The hon. Gentleman is trying to clarify whether a police and crime commissioner has the opportunity to tell a chief constable to investigate a crime. Is it any crime, or no crime? Is that just a matter for the chief constable? Does the commissioner have any power over that?

What about the funding of units? Can the commissioner tell the chief constable what units they should have? On the apportioning of resources, the Minister looked very upset when I quoted the report by Her Majesty's inspectorate of constabulary, which showed that only 5% of police and community support officers were not in the back office. What about the commissioner's ability to say what the correct mix of staff is? They might not want to see as many people doing a particular job, and may want to civilianise. The Minister's favourite thing at the moment is looking at outsourcing. What if a commissioner does not believe in that? Whose responsibility would it be?

What about the reorganisation of policing? Who has a say on that? What equipment can or cannot be used? It may be an operational decision to use horses or dogs in a public order situation, but does the commissioner have any jurisdiction or say in whether the police have a police or horse section? Is that an operational responsibility? If we had a draft protocol, we could begin to understand the differences in those areas.

We have just seen the police do a very good job overall at the weekend, and I praised the Metropolitan Police Commissioner for it. However, when I recently saw him we discussed containment. What right does a police and crime commissioner or someone else have to tell a chief constable that they had dealt with such a situation wrongly? Does the police and crime commissioner have the right to do more than express an opinion? Police and crime commissioners are directly elected. We are not talking about a police authority. Police and crime commissioners will not be appointed by the Mayor and unelected, as in London. Who has the responsibility for making such decisions? These are hugely serious issues that worry many people across the country.

The Minister's response is, "It won't be a problem. Don't worry about it. Good sense will prevail. Why should the doomsday scenario presented by the shadow Minister happen?" That is a pretty poor way to legislate when we are dealing with such a serious matter. It is not enough to say, "Don't worry. It won't happen. Everybody's good sense will prevail." The amendments before us are important. Clearly, I am not the only one who is worried.

Mr David Winnick (Walsall North) (Lab): Has my hon. Friend noticed the lack of enthusiasm for the concept of police and crime commissioners? A good test in the House of Commons, as he knows full well, is whether, on a free vote—which obviously is not going to occur—the Government's project would command a majority.

Vernon Coaker: No, on a free vote, I do not think the measure would go through. I agree with my hon. Friend. It will be even more interesting to see whether, on a free vote, the new clause, which seeks to give a legislative base to the protocol between police and crime commissioners and chief constables, would be supported by a majority. I suspect it would.

Steve McCabe (Birmingham, Selly Oak) (Lab): My recollection of the discussion that took place in Committee is that the Minister repeatedly claimed that one of the arguments for a police and crime commissioner was that the public would know who to go to and who to complain to. There would be a single point. He cited the rise in the number of complaints when the Mayor of London took on that responsibility. Is it not the clear message of amendment 149 that the public will go to the commissioner with the expectation that he can intervene in investigations and cases? Unless it is spelled out in new clause 5 or in the amendment, we will be electing people on a false prospectus because the expectation will be that the commissioner has that power. This illustrates the dilemma that the Minister has created.

Vernon Coaker: I agree. That is the point I am making. An individual will stand for election in a police force area, saying, "I will ensure that there are X number of officers in this area and that area. I don't want to see Tasers used. I don't want to see such-and-such equipment used. I want to see the police patrolling not in pairs, but singly. I don't want to see police in cars." It will not be possible to stop someone saying that in their election manifesto. They are not going to stand for election saying, "I think everything's wonderful. Vote for me." What sort of election slogan is that? They would not get elected.

Candidates will stand on an exciting, impassioned, inspirational agenda for change in policing in that area. My hon. Friend is right. That is the nub of the dilemma that the Minister faces—what happens when that individual, enthused with their election victory, or determined to be re-elected, tries to influence what the chief constable does?

Mark Tami: Does my hon. Friend agree that the scenario that he describes will be worse when there is a second round of elections? The police commissioners will be trying to stay in the job and others will be saying how incompetent they are and trying to introduce change. It will be the constant agenda of candidates to run down the police and offer change—sometimes change for the sake of change.

Vernon Coaker: That is a very real danger. The Minister will no doubt try to say that he will address that through the protocol because it will lay out what can and cannot be done. It would have been extremely helpful if Members had even a draft to consider. Without it, it is very difficult for us properly to consider and debate the new clause. Having said that, the new clause is extremely important.

4.15 pm

John Mann (Bassetlaw) (Lab): Has my hon. Friend considered the dilemma of a member of a political party being elected and the same police force being requested to investigate election irregularities of another party member—for example, a Member of Parliament who is re-standing in that police area—if the decision on whether the issue should be investigated by the police is marginal? Has he considered that dilemma that the Government are about to create?

Vernon Coaker: That is another interesting dilemma that might arise. No doubt there are many other such examples in which we could point out the dangers.

I cannot stress enough how important the police feel this is and how important I think it is. I am sure that we will all listen to the Minister when he responds not only to the lead new clause but to the amendment tabled by his hon. Friend the Member for Rochester and Strood.

Mark Reckless: I should first declare an interest as a member of the Kent police authority. I thank the hon. Member for Gedling (Vernon Coaker) for his testimonial to my work in that role, which—who knows?—might find its way into one of my election leaflets.

We have heard about the protocol—let us call it that, so that we use common language—and I note that the shadow Minister refers to operational responsibility in the new clause. It would be great to have a clearly agreed definition for operational independence or responsibility as it is, but it is enormously difficult to do that. ACPO's position has changed on that, which does not necessarily assist us. The Home Affairs Committee visited ACPO two days ago, and it seems that the draft protocol is bouncing between it and the Home Office. ACPO had no objection to the draft being shared with the Committee when we asked for it. Will the Minister give the Committee sight of the protocol, even if it is still an early draft?

Amendment 149 is a probing amendment, because it is very important to get the views of the House and of the Minister on the record. I have tried to emphasise a point that arose from the 1962 royal commission, which is that there is an important distinction, as I put it in the amendment, that the elected commissioner

"shall have no involvement in decisions with respect to individual investigations and arrests."

That is an important constitutional protection. The Minister spoke quite strongly on that both on Second Reading and in evidence to the Home Affairs Committee. I am slightly concerned that one remark he made in the Committee, regarding the potential for too strict an interpretation of what Lord Denning said in 1968, should not be taken out of context. The context, as the Home Secretary said on Monday, is that we anticipate that it will be the elected commissioner who is in charge, as with the Mayor of London.

The Minister was very clear on Second Reading and when he gave evidence to the Committee on the role and importance of the elected commissioners and that what we are doing is rebalancing the tripartite system, moving from a police authority leg that has traditionally been too weak and bolstering the role of the democratic and local element with the directly elected commissioner.

I raised that point with the Minister in the Committee on 27 July last year, and asked whether there was any possibility of an incompatibility between what we intended with the legislation and what Lord Denning said in *ex parte Blackburn* in 1968. The Minister's reply was important. He said:

"It is often stated, quoting Lord Denning's dictum that the police should be answerable to the law and the law alone. I think that is right in the sense of when they are exercising their powers of arrest and so on that that should not be subject to any kind of political interference. We would all agree about that but, clearly, somebody has to set the police budget and the strategic direction of the police, so there has to be accountability to someone, and our premise is that that should no longer be to the centre, to a faceless bureaucrat, to the Home Secretary; it should instead be to local people through the election of the police and crime commissioner."

That is what we intend to achieve with the Bill, and it is a distinction that is consistent with what we saw back in the 1962 royal commission.

As the hon. Member for Walsall North (Mr Winnick) knows, the Select Committee received some helpful legal advice on this matter that read:

"This part of Lord Denning's judgment is not strictly binding as it went beyond the range of issues that had to be decided in that case, and is therefore obiter."

We then had an assessment from our legal advisers on a leading academic text in this area by Richard Clayton QC and Hugh Tomlinson QC, whose conclusion on Lord Denning's judgment was:

"The doctrine is an exorbitant one and its legal foundations are very slight".

I had a look at that leading text and some of the academic debate on the difficulty of defining operational independence and what it was considered to mean. Richard Clayton and Hugh Tomlinson referred to section 6(1) of the Police Act 1996, which the Bill carries over, and wrote that it

"appears to create a specific sphere of responsibility for the police authority".

They go on to state that section 10(1), which deals with the direction and control of the chief constable, is subject to that provision, and

"only covers immediate operational direction and control but does not bear on the question of the extent to which the chief constable is under supervision of the police authority."

The Committee went into the academic literature in more detail. We heard from Rick Muir, from the Institute for Public Policy Research, who has done much work—from the left—on this key issue. He agreed with me when I asked whether there was a distinction

"between the individual cases, where clearly the police should have independence in terms of arrest and investigation in those individual cases, and the broader spectrum of setting priorities, determining where budgets are spent and setting policy in general, which is properly the field of elected politicians".

He observed that unfortunately confusion had arisen because wrongly there had been a

"tendency of chief constables to take Denning to mean that they are in charge of strategy".

[Mark Reckless]

We do not have before us this protocol that the hon. Member for Gedling referred to, but the Committee was able to draw out some of the key issues.

My amendment emphasises the position in 1962. Unfortunately, when Denning made his judgment, he did not have the advantage of being able to refer to proceedings in the House. Judges have been able to do that only since *Pepper v Hart* in, I think, 1994. The key 1962 royal commission, which set the consensus on operational independence, was summarised by the legal advisers in a report to the Committee. They wrote:

"The Royal Commission on Police emphasised the need for impartiality and operational independence of the police in relation to 'quasi-judicial' decisions".

The royal commission included in those quasi-judicial decisions

"inquiries with regard to suspected offences, the arrest of persons and the decision to prosecute,"

adding:

"In matters of this kind it is clearly in the public interest that a police officer should be answerable only to his superiors in the force and, to the extent that a matter may come before them, to the courts. His impartiality would be jeopardised, and public confidence in it shaken, if in this field he were to be made the servant of too local a body."

The commission said in respect of other duties:

"It cannot in our view be said that"

they

"require the complete immunity from external influence that is generally acknowledged to be necessary in regard to the enforcement of the law in particular cases."

As our legal advisers point out, those other duties include

"general policies in regard to law enforcement...the disposition of his force, the concentration of his resources on any particular type of crime or area, the manner in which he handles political demonstrations or processions"

or

"his policy in enforcing the traffic laws and...dealing with parked vehicles".

That clear distinction has therefore run all the way through, from the royal commission in 1962 to the evidence that the Home Affairs Committee has taken. That is what I am trying to emphasise with my amendment 149; indeed, it is also what the Minister emphasised when he appeared before the Committee. I would therefore be grateful if he confirmed that he does not resile from any of those remarks.

The other important point to make about Denning's judgment in 1968 is that it related not to what a police authority could do in terms of a chief constable, but to what a single individual, Mr Blackburn, who as a publicly spirited gentleman came to court with a judicial review, could do. The question was about the extent to which he as an individual could require the Metropolitan Police Commissioner to implement policing in a particular operational manner. That distinction is made clear by further material, including the 1988 case of *Hill v Chief Constable of West Yorkshire*, in which it was clearly drawn. In that case, Lord Templeman said:

"The question for determination in this appeal is whether an action for damages is an appropriate vehicle for investigating the efficiency of a police force."

He concluded:

"A police force serves the public, and the elected representatives of the public must ensure that the public get the police force they deserve."

It is clearly right that there can be no interference in individual investigations or arrests, but it is important to look at the issue from both sides.

Steve McCabe: I am grateful to the hon. Gentleman for bringing to the House's attention what I think is a dilemma that the Minister has created. As I have been listening to the hon. Gentleman, I have been reflecting on what would have happened if we had had police and crime commissioners at the time of the Stephen Lawrence murder and the subsequent inquiry. Does he think that it would have been possible for the police and crime commissioner to fulfil the requirements of both clause 1(8)(g) and his amendment 149?

Mark Reckless: Perhaps the hon. Gentleman could cite that provision, which I do not have to hand.

Steve McCabe: I apologise. Clause 1(8)(g) places a responsibility on the police and crime commissioner to "hold the chief constable to account"

for

"the exercise of duties relating to equality and diversity that are imposed on the chief constable by any enactment."

In particular, I am thinking of what came out of the Lawrence inquiry.

Mark Reckless: Yes, absolutely. What we saw in that instance was a failure in the operational direction of the Metropolitan police. Rather than waiting years and years for an inquiry to make the Metropolitan police have appropriate respect for diversity and follow up on such crimes in the way it should, a directly elected commissioner with sufficient authority could have pressed for that much more quickly. Indeed, that is one area where we would be looking for clear, elected oversight and guidance for the police.

4.30 pm

Nigel Mills (Amber Valley) (Con): On the point that the hon. Member for Birmingham, Selly Oak (Steve McCabe) just made, I note that my hon. Friend's amendment states that

"the police and crime commissioner shall have no involvement in decisions with respect to individual investigations".

If there were a high-profile murder, would my hon. Friend think it appropriate for the commissioner to say to a chief constable, "I think you should put more resource into that investigation. What you are doing now is not sufficient and there is real community concern"? Or is my hon. Friend saying that that would be inappropriate?

Mark Reckless: That is a very good example, which helps to elucidate the point. It would not be appropriate for the elected commissioner to say, "On this particular individual investigation I would like fewer"—or more—"police", or, "You should investigate it in this way rather than that." We do not look to the elected commissioners to do that, but I see a strong role for them in ensuring that justice is colour blind and that the police do not make assumptions about a witness or potential suspect on the basis of ethnicity or any other

inappropriate basis. We have seen strong progress by the police in that area, but, with the Macpherson inquiry and the way in which some measures have been rolled out, there has not necessarily been the sensitivity that there might have been. The elected commissioner will have a relationship with the wider electorate, however, so they will sometimes be in a position to lead the police in particular areas regarding social attitudes.

I have huge respect for the police, given my work with them in Kent, but there are particular traditions in policing and the work force are made up in a particular way. Those things have changed, with a very welcome and greater number of women now working as police officers, and there has been a significant improvement in black and minority ethnic representation. In Kent, we had the first black chief constable in Mike Fuller, who did an extraordinary job of engaging with the public and involving them closely with the work of Kent police. The police have a significantly smaller proportion of graduates, although it is higher than it was, and the elected commissioner will be able to lead in those areas. I look to him to do so.

I emphasise to the House that the distinction I draw, going back to the 1962 royal commission at least, works both ways, and I am very concerned about budget setting, priorities and some of the management of public protest. My hon. Friend the Member for Cannock Chase (Mr Burley) asked some probing questions of various witnesses, but the question of whether there should be a presumption that police officers will travel in pairs, and the extent to which officers might be on bicycles, on foot or in cars, are very properly areas for elected oversight, and inevitably political decisions. If we do draw that distinction, the Bill will help chief constables.

Vernon Coaker: May I be clear about what the hon. Gentleman just said? Did he say that an elected individual should be able to try to influence the chief constable in terms of patrolling in pairs, individually or whatever, and in terms of the other examples he used? Or did he say that he thought it should be open to the police and crime commissioner to direct the chief constable on those matters?

Mark Reckless: In almost all those areas, there will invariably be agreement. There is give and take, and that has been my experience on a police authority. I am sure that in most instances it will apply to the elected commissioner and to the chief constable. I am not convinced that "direct" is the right word, but there might be public concern, as there was a few years ago in my area, about the police spending too much time in cars and not being available on the beat. Indeed, I have often heard it said that two officers who go out on the beat together will naturally tend to talk and enter into exchanges with each other, whereas one police officer on patrol might have a greater tendency to engage with the public.

I think that we would look to elected commissioners to reflect the public view, although I would not necessarily be comfortable with that in individual instances. It would be right for the elected commissioner to say, "Previously we've had this presumption that officers should patrol in pairs, but I think in future the presumption should be that where possible officers patrol individually," and I would expect the chief constable to give effect to

that. However, if there were issues regarding safety, I would look to the chief constable to have those considered appropriately within the discussion.

I do not agree with the view of ACPO, nor do Conservative Members or members of the Committee necessarily accept it, that police officers operate in a sort of political vacuum where they can, without reference to the elected authority, make the decision themselves. I think that people will campaign on these issues to become the elected police and crime commissioner. In many respects, it is entirely proper that the chief constable should then implement proposals with a democratic mandate behind them, as in the case of the Metropolitan police service following what Boris Johnson, the Mayor of London, said about a stronger emphasis on knife crime and having more officers on public transport, particularly buses. The Metropolitan police did then implement that, and that is perfectly proper.

I should emphasise that this point goes both ways. We need to ensure that chief constables recognise the appropriate and entirely proper role of the elected commissioner in making such decisions, but there is also the other side of the coin. My experience on a police authority is that I often get asked about operational matters. A sergeant may ask me whether I thought that a particular police community support officer should be deployed from one area to another, or a constable may ask me whether I am happy about how they have dealt with a particular offence, or whether I think that a particular individual should be charged or dealt with in a certain way. It has then been incumbent on me, as a member of the police authority, to say, "Hang on a minute, this is not a proper area for an elected politician to be determining what happens within the police." I have always been very clear about that, and when there has been an issue that is a shade of grey I have referred it to our excellent area commander in Medway, Steve Corbishley. Such sensitive issues need to be dealt with at that higher level. One cannot necessarily expect every constable, sergeant or even inspector to be totally au fait with where this line should be drawn. I am echoing the emphasis that the royal commission, and the Minister in Committee, put on this complete protection in relation to individual investigation and arrest. That is an important safeguard, and it should work both ways.

The Bill uses the phrase "have regard to" in relation to the police panel as against the commissioner for the budget, the commissioner in respect of a strategic policing objective, and the chief constable's need to have regard to the policing plan determined by the Minister. We may be firing the starting gun for litigation, but if so, I hope that Members, particularly the Minister, have given a clear steer to the courts as to the role that we see elected commissioners having and the need to rebalance the tripartite relationship. Lord Hoffmann, in the case of *Regina v. Chief Constable of Sussex ex parte International Trader's Ferry Ltd*, said that, even under the current arrangements, where regard must be had to the policing plan, the chief constable's discretion was therefore "subject" to the statutory plan. Together with the roles of the chief constable and the Home Office, we have a rebalancing of the tripartite system. We are bolstering the democratic local element by having direct election, and that should provide a far stronger voice for the public in setting policing policy and priorities.

John Mann: I note the volume of Members taking part in the debate: I think attendance is under 3%. Doubtless everyone has better things to do. I note that fact because at some stage—not today—quorums will have to be challenged in the House if Members, not least on the Government side, do not turn up to promote the Bills that they propose.

I commend my hon. Friend the Member for Gedling (Vernon Coaker) on his excellent approach to trying to dismantle the Bill, and I fully support new clause 5. Let me give an additional reason why it is appropriate for the House to vote for the new clause. When this fragile coalition collapses, which will no doubt happen soon after the May elections, if this Bill has reached Royal Assent by then, rather than wasting primary legislative time immediately, my hon. Friend could use a statutory instrument to remove the most objectionable parts of the legislation, which were most eloquently described by the hon. Member for Rochester and Strood (Mark Reckless). He wishes to direct where police resources go and to make operational decisions, such as those, as he said, on the question of whether policing should be single or double. Those are fundamental operational decisions, and it is quite extraordinary that anyone could oppose the new clause, which seeks to rectify the damage that such a loss of operational independence will cause.

This is an outrage. My hon. Friend the Member for Gedling and I come under the same police authority in Nottinghamshire, and I do not know whether he has found a single member of the Nottinghamshire police who supports the idea that an elected politician with such powers should be above them directing their work, as the Government propose. In my experience, there is great resentment about what the Government are doing to the police, including the idea that a politician should be elected to do that job, on whatever manifesto. That person might come from the mainstream parties, might be a maverick independent or might be a former senior police officer who has perhaps been forced out of the police for reasons that they choose not to declare. There are many different motives why someone might wish to stand for such a position, but when there is an election, the one certainty is that somebody will be elected. We have seen this with elected mayors: however low the turnout, somebody is elected and sometimes the population is rather aghast at what they have ended up with as a result of their inaction, or their inability or refusal to vote.

It is bad enough when such things happen in local authorities, but to put such a person—an elected politician, playing to the gallery for election and re-election—in charge of operational policing matters is an outrage. This modest but well-written new clause at least offers some opportunity to pull that back. Of course, it could go further. If I were writing the memorandum of understanding, I would ensure that some of the other dangers to British policing that are being and have been brought in by this reckless Government were also rectified. There would also be an opportunity to build in something to stop the use of regulation A19, whereby experienced police officers—including those in my area—are refused the opportunity to continue in policing with the experience and training that they have built up, which the taxpayer has paid for. They want to stay on, doing a job and earning a decent living serving the public, but they have been removed by this Government. Police in my area are also very angry about police pensions.

The dangers to police pensions, and to the basis on which people join and remain with the police, which has been undermined by this rotten Government, could be rectified by some wisdom in a memorandum of understanding or in the statutory instrument behind it, or could be dealt with by emergency legislation on day one when this fragile coalition collapses.

Mr David Burrowes (Enfield, Southgate) (Con): It is always interesting to hear the hon. Gentleman scrutinise a Bill. He is speaking on behalf of the three Back-Bench Members of Her Majesty's Opposition who are present. However, has he asked the people of Bassetlaw properly whether they want to have a stake in the policing in their area, to hold the police to account and to determine the priorities for policing? Is he not being presumptuous in assuming that he knows exactly what they want before there is a properly elected commissioner?

4.45 pm

John Mann: I never like to be presumptuous. As I am sure the hon. Gentleman knows, I constantly communicate with the people of Bassetlaw about their views. However, one has to prioritise. My question to them at the moment, which they are answering in their thousands, day in, day out—I am sure that there will be more answers by the end of tonight—is whether they agree with the 30% cut in police and fire services that his Government, backed by the Liberals, are bringing in. That is an even bigger danger to their standard of living and quality of life, and to the security and safety of businesses, pensioners, young people, and the whole population in my area.

I assure the hon. Gentleman that I have had no representations from anybody asking for another elected politician. The Government have prided themselves on getting rid of 50 MPs. Looking at the green Benches today, it appears that they might already have got rid of a random assortment of 50 MPs. Those MPs will be replaced by about 44 new politicians. It is almost a job swap. This is costing the taxpayer money. More crucially, it is diverting us away from the priorities. I know that Members from all parts of the House, and especially the Liberals, will want to vote for this excellent new clause, because it gives us the opportunity to clarify that we will not have meddling by politicians in any area of police operations. I cited the dangers of that in my earlier intervention.

The Government have given us statistics that show that across the country, cases about elections and petitions of one kind or another have been taken to the police, including by political parties. In the county of Nottinghamshire such cases have been taken by political parties, including by the Conservative party. I think that that was a bit spurious and a waste of police time, but the party was entitled to do it. If politicians or their backers are doing deals with one party or another, in the traditional way, to become the candidate for this new elected position, and they are also using the police in making allegations about elections—be they parliamentary, local or even potentially for police commissioners—how will that be dealt with? How will there be impartiality when there is one elected person at the very top? That is a fundamental flaw in the Bill and in the Government's logic.

There will of course be an opportunity—I will not speak to this point now, Mr Deputy Speaker—to reject this rotten Bill tomorrow at 6 o'clock, or perhaps even

earlier. In the meantime, any logical, rational, law-and-order politician in this House will back the excellent and considered new clause moved by my hon. Friend the Member for Gedling, because it will amend the Bill in a way that provides some protection. The people in my area want effective policing that is run by the police, and they want the police to be accountable.

I do not know whether as a boy the Minister liked to play with Meccano or Lego, but I can see that he has built up the idea that it is his job to meddle, to take apart and to rebuild. He has taken that forward into adult life, and when it comes to the police force, because he is the Police Minister he has to do something to demonstrate that he is worth his money.

The Minister could tell the police, "Here are the resources I've battled with the Treasury to get you. Go out there, catch criminals and give the general public confidence in security and safety. Get on with your job and do a good job, and we will hold you accountable to ensure that you do." Oh, no. He cannot do that. Instead, he has to meddle and try to rebuild everything, just as the Government are doing with schools and the health service. The excellent new clause 5 would at least pull the Government back from that, so I recommend it to the House, and I trust that all Members will vote for it.

Tom Brake (Carshalton and Wallington) (LD): It is a pleasure to follow the hon. Member for Bassetlaw (John Mann), who is clearly a grand master when it comes to playing to the gallery. I must say, I was rather worried for his health, or indeed his sanity. I wonder whether he actually believes his doom-mongering vision of the world, but he is certainly very effective at getting across his concerns. He will be very disappointed about this, but I suggest that he should not hold his breath while he waits for the coalition to collapse, because 2015 is a long way away.

I now turn to the new clause and the amendments. It is clearly welcome that the protocol, or the memorandum of understanding, is being discussed and drawn up.

Vernon Coaker: Does the hon. Gentleman agree that we should have a draft of that to consider, even if it is a draft of a draft? It really is not good enough that it will be available to the House of Lords to consider without our having had it in front of us.

Tom Brake: I think that the Minister and I would probably agree that in an ideal world it would have been useful to have a draft, but I do not think it is essential. I am sure that the House of Lords will deal with the matter in the professional way that we would expect.

It is interesting to note that initially senior officers had strong reservations about whether they wanted a protocol, so a degree of flexibility will be needed. I have some sympathy with amendment 149, but I suspect that the Minister will make it clear that there is every expectation that the police and crime commissioners will have no involvement in decisions on individual investigations and arrests. That will be a clear requirement.

The one point that may require clarification is what would happen in a case that actually involved the police and crime commissioner. For instance, if they had been assaulted, would the amendment prevent them from taking a decision about whether charges should be pressed? I do not know whether the hon. Member for

Rochester and Strood (Mark Reckless) considered that in tabling the amendment, and if he has a response I would be very happy for him to intervene on me at this point. If he is not going to, the Minister might want to pick up on that point when he responds.

In an ideal world we would have been considering a draft protocol, but clearly a lot of work on it is still going on. I am sure that means that when it is put into the public domain, it will be strong and satisfy Members. As I said, I understand where the hon. Member for Rochester and Strood is coming from on amendment 149, but it is clear that there will be no expectation whatever that the commissioners will get involved in individual decisions. One would expect that the police and crime panels would have forceful things to say if they did so.

Nick Herbert: First, I confirm again to the House something that has been confirmed on a number of occasions: the Bill does not change the legal position that the direction and control of forces remains with the chief constable. Therefore, the basis of the legal relationship between police authorities and chief constables is maintained in the direction of control in the Bill.

Nevertheless, there is concern about ensuring the fundamental principle of the operational independence of chief constables, which we debated at considerable length in Committee. As we discussed at some length, there is no statutory definition of operational independence, and indeed, there is general agreement that it would be unwise to attempt such a definition. The matter has been considered on a number of occasions by the courts—my hon. Friend the Member for Rochester and Strood (Mark Reckless) spoke of one key case. However, ACPO, which is concerned to ensure that the operational independence of chief officers is not in any way threatened, has said that it does not wish us to try to define it in law.

The debate on the proper role of the chief constable and the proper role of the local body that holds them to account will continue—as it does between police authorities and chief officers and others, with the matter sometimes ending up in court. That is part of what Sir Hugh Orde, the ACPO president, described—not pejoratively—as the tension that should exist in the relationship. However, as I said in Committee, to some extent, we are talking about shades of grey.

Mark Reckless: Is not one limitation of existing case law that an individual litigant—or a company such as International Trader's Ferry—trying to get the chief constable to do something is different from the relationship that the Minister describes between the police authority and its statutory powers and the chief constable? The Home Affairs Committee heard from witnesses who felt that there is significant scope within the existing regime for police authorities to be more assertive in setting policy—it just happens that they have not done so.

Nick Herbert: My hon. Friend's point is well made. However, the police and crime commissioner, who will have a mandate, could be more assertive. That is the basis and thrust of the chief constables' concerns. I cited the example of London. The Mayor of London stood on a manifesto of placing uniformed officers on public transport and tackling knife crime. Whether that cut across the operational independence of the Met has been debated but not resolved, but it is significant that

[Nick Herbert]

those things have happened, and the Metropolitan police have willingly implemented them. We must accept that, to some extent, there are areas of negotiation and shades of grey, which is why all parties agree that it would be a mistake to try to define in statute the notion of operational independence.

However, equally, we are all agreed—as I indicated on Second Reading, the Government were already minded to do this—on drawing up a protocol, as the Home Affairs Committee recommended, to try to set out the precise roles of the police and crime commissioner and the chief constable in the new arrangements, and to broaden the protocol to cover the role of the police and crime panel, given that that is new, and the role of the Home Secretary. It is worth stating that the Government's intention in introducing that reform is not to abandon the tripartite, but to rebalance it, because we feel that it has been too distorted in the past, particularly in relation to the accrual of power by the centre and the Home Secretary.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): Can the Minister enlighten us as to what would happen if someone breached the protocol?

Nick Herbert: May I come to that in a moment? I will address the status of the document shortly.

As I mentioned earlier, the Home Office has set up a transition board to discuss how the present system will migrate to the new one. One of the issues that we are discussing is the protocol; that work has begun. ACPO has nominated Chief Constable Adrian Lee of Northamptonshire police to be its representative. He will sit on a working party, alongside Home Office officials and representatives from other organisations including the Association of Police Authorities and the Association of Police Authority Chief Executives, to discuss the issue. Work is therefore ongoing.

5 pm

I have to say to the hon. Member for Gedling (Vernon Coaker) that it was never going to be possible to produce a draft document in time for Report, and he knows that I never indicated that it would be. However, I have said that we will attempt to produce one in time for it to be considered in the other place. I hope that he will appreciate that that is being done with the best of intentions and at the fastest possible pace, given the complexity of the issue. It is worth reflecting on the fact that a similar protocol that was proposed in Northern Ireland by the Patten commission in 2004 was discussed over several years and has still not been put in place. That is partly because Patten recommended that the concept involved should be one of operational responsibility, and not independence. I note that the hon. Gentleman has chosen to use the words "operational responsibility" in his new clause. We are not using them ourselves, however; we are using "operational independence". The work is ongoing, and it is our intention to try to produce something for the Lords. I am sorry that we have not had an opportunity to look at a draft here, but I hope that the hon. Gentleman will understand that the work is under way.

I want to turn to the status of the document. New clause 5 seeks to set out the memorandum of understanding in secondary legislation. The right hon. Member for Dwyfor Meirionnydd (Mr Llwyd) asked what the consequences would be of not following the protocol. We envisage that this will be an extra-statutory document, and that it will be issued in the form of guidance. I am certainly willing to consider what the legal status of the document should be, and whether it should have some kind of statutory imprimatur, but we really need to see what it looks like first. We need to understand how granular it will be, and whether that would effectively define operational independence in a way that, so far, everyone has made it clear we should not so define it. I reassure the hon. Member for Gedling, however, that this matter should be considered, and I have no doubt that the other place will have a view on it.

Mr Llwyd: I thank the Minister for replying to my question in such short order, and in as much detail as he could muster. If he is saying that some form of legislative vehicle might encompass the protocol, would not regulation by statutory instrument be the obvious answer?

Nick Herbert: I repeat that we do not envisage this being a statutory document. It was originally called a memorandum of understanding by the Select Committee, and I do not think that the Committee's recommendation envisaged it being a statutory document. Its purpose is to clarify the roles and responsibilities in law. In other words, it will be seeking not to set law but to explain what the law is. The danger is that we will be drawn into a means of setting law, when all the parties involved have so far said that we should not seek to define operational independence by statute. They have said that we should leave the matter to the understanding of the courts and the existing case law.

Mark Reckless: Will the Minister agree to supply the document, at least in draft form, to the Home Affairs Committee as well as to the House of Lords? The Association of Chief Police Officers and the Home Office are negotiating, but should not the negotiations be for the tripartite system, although we do not yet have the elected commissioners in place?

Nick Herbert: First, the Association of Police Authorities is certainly involved in the drafting; it is part of the group discussing the matter. I agree that negotiations must reflect the tripartite system, and I want to reassure my hon. Friend about that. As to supplying the draft to the Home Affairs Committee, I am happy to agree. Furthermore, if my hon. Friend would like to meet me and officials to discuss it further, I think it would assist our deliberations. I would like to organise that as soon as possible, bearing in mind the considerable experience that my hon. Friend brings as a member of a police authority with a particular view.

I appreciate my hon. Friend's purpose in proposing amendment 149, according to which

"the police and crime commissioner shall have no involvement" in deciding whether a person is investigated or directed. In fact, that is the existing common law principle and the courts have consistently stated that the Executive must not interfere in operational law enforcement decisions, so there is no need for that to be written expressly in the Bill.

I hope that the hon. Member for Gedling will accept the good faith with which I agreed with the recommendation of the Home Affairs Select Committee. I hope he will acknowledge that I have listened to the Association of Chief Police Officers and others who have expressed concern about operational independence; restated that we do not seek to cut across that principle; and confirmed that we will bring the draft document before Parliament at the earliest possible opportunity. I appreciate that he would have liked to see it sooner, but I hope he acknowledges the very considerable steps we have taken in this regard.

Vernon Coaker: Before I comment on the Minister's remarks, I would like to thank my hon. Friend the Member for Bassetlaw (John Mann) for his support on the issue of the necessity for this memorandum of understanding. It was interesting that the hon. Member for Carshalton and Wallington (Tom Brake) commented on what was said by the hon. Member for Rochester and Strood (Mark Reckless)—that there was an expectation of no involvement. That is part of the problem. The Minister is right to say that the common law position precludes interference, but I am trying to deal with what will happen when the new model comes into effect, particularly the concern that it will change the parameters within which the policing model works.

Mark Tami: Given the sort of person who is going to be elected to the panels, might it not lead to an adversarial relationship almost from day one? Indeed, the person might have stood on a platform in order to take on the chief constable for something he had done.

Vernon Coaker: That is exactly the point. Concerns have rightly been raised about who will be elected and the mandate and manifesto on which they are elected, and particularly about the possibility of its being imposed on the chief constable. Those are very real concerns. The Minister knows that there is a general acceptance of trying not to define in statute too rigidly. I say sincerely that I appreciate he is acting in good faith. I did not say that he had promised to bring the matter before us on Report. My expectation was that he might have been able to do so, but he did not say that and I know that he has acted in good faith.

The Minister seems to have moved again in respect of this new clause. To be fair, it shows the difficulty of trying to navigate through this area, which is one of the most important parts of the Bill. None the less, I noted that the Minister said that he "may" decide that it is necessary to include a statutory legislative provision on which to base the protocol. I agree with the right hon. Member for Dwyfor Meirionnydd (Mr Lywyd): it is essential for the Bill to contain a requirement with regard to the protocol.

Question put, That the clause be read a Second time.

The House divided: Ayes 216, Noes 311.

Division No. 243]

[5.10 pm

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi

Ali, Rushanara
Allen, Mr Graham
Bain, Mr William
Balls, rh Ed
Banks, Gordon

Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Bleas, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Gordon
Brown, rh Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donaldson, rh Mr Jeffrey M.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Durkan, Mark
Eagle, Ms Angela
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Fiello, Robert
Flynn, Paul
Fovargue, Yvonne
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glendon, Mrs Mary

Godsiff, Mr Roger
Goggins, rh Paul
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hanson, rh Mr David
Harris, Mr Tom
Havard, Mr Dai
Hendrick, Mark
Hepburn, Mr Stephen
Hermon, Lady
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonnell, John
McGovern, Alison
McGuire, rh Mrs Anne
McKechin, Ann
Meacher, rh Mr Michael
Mearns, Ian
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme (*Livingston*)
Morris, Grahame M.
(*Easington*)
Mudie, Mr George
Munn, Meg

Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis

Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Jonathan Reynolds and
Mr David Anderson

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Berry, Jake
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm

Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burt, Alistair
Burt, Lorely
Byles, Dan
Cairns, Alun
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishtii, Rehman
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davies, David T. C.
(*Monmouth*)
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie

Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Hunt, rh Mr Jeremy

Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luft, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalf, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew

Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John

Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mr Shailesh Vara and
Jeremy Wright

Question accordingly negatived.

New Clause 6

ISSUING PRECEPTS

(1) The police and crime commissioner must notify the relevant police and crime panel (the "panel") of the precept which the commissioner is proposing to issue for the financial year (the "proposed precept").

(2) The panel must review the proposed precept and make a report to the commissioner on the proposed precept, which may include recommendations, including as to the proposed precept.

(3) The commissioner must respond in writing to the panel, either to accept the recommendations, in full or in part, or to reject them, and to state whether the proposed precept is revised or unchanged following consideration of the panel's report.

(4) The proposed precept will then be fixed as the precept under section 40 of the Local Government Act 1992 unless the panel rejects the proposed precept by at least three-quarters of

the persons who are members of the panel at such time voting for such rejection.

(5) If, following such rejection, the panel and the police and crime commissioner agree within 14 days a proposed precept, then the police and crime commissioner shall issue that proposed precept as the precept for the financial year.

(6) Otherwise the panel shall propose an alternative precept, and provision shall be made by the participating authorities for a referendum across the relevant police force area to determine whether the precept proposed by the commissioner, or the alternative precept proposed by the panel, shall be fixed as the precept for the financial year.

(7) The Secretary of State may make regulations with regard to the timing of the provisions of this Clause and the procedures that are to be followed in respect of a referendum described in sub-Clause (6). —(Mark Reckless.)

Brought up, and read the First time.

Mark Reckless: I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss the following:

Amendment 151, in clause 28, page 21, line 9, leave out '5 or'.

Amendment 152, page 112, line 15, leave out Schedule 5.

Mark Reckless: New clause 6 deals with the police and crime panel and, specifically, the powers that it may or may not have in respect of assessing and setting the precept. Ever since I first considered the issue of elected commissioners and their proper role, I have found the issue of budget setting particularly knotty and difficult. As a strong proponent of elected commissioners, I see a good argument for giving them the power to set the precept and the budget, and just letting them get on with that. I can see the argument that they have the mandate, so surely they should make the decision.

However, I have at least a slight concern about giving such significant budget-setting power over a whole electoral term to one individual. That is why I am attracted to some of the ideas we have heard, including from colleagues on the Liberal Democrat Benches, about the police and crime panel. There has been a very positive, highest common factor rather than a lowest common denominator approach, and the Bill has been improved through the interchange of ideas between Conservative and Liberal Democrat Members.

We have heard about the capping arrangements of the Labour party in recent years. There was capping under previous Conservative Governments but it seemed to become almost standard in Labour's 13 years in government for Ministers to set a number—it was never quite clear how they determined that number—over which anything, regardless of the circumstances and however low the council tax base, was capped by central Government. That approach seems wrong to me and we have a proposal to deal with it in relation to local government: instead of having a Secretary of State—I assume for Communities and Local Government—capping a council above a certain level, that Secretary of State would have reserve powers to require a local referendum in an area where he considered an increase to be excessive. That strikes me as a reasonably sensible balance, and certainly an improvement on the status quo and the current capping power.

Dr Huppert: This issue is effectively about the principle of capping, which causes real problems. Is my hon. Friend aware, in the local government context, of councils in Cambridgeshire that used to charge zero council tax and were prevented by capping from charging any at all? We do not want the same sort of ridiculous problems happening with police precepts.

Mark Reckless: Yes, I am aware of that issue. The predecessor council to mine in Medway, Rochester upon Medway council, similarly had no council tax and when Medway took over as a unitary authority, we had one of the lowest council taxes in the country—virtually the lowest except for the Scilly Isles at one point. However, we had the same percentage limit as everyone else, so when central Government put a new burden on local government and we had to fund it as a fixed cost, we were less well-placed to do that because the amount we could get through a percentage increase was less than other councils that had previously had higher taxes could get.

A similar regime to that for local councils has applied to police authorities, but to an extent it has been less controversial than that for councils because police authorities have not had the same democratic mandate as local government. There are only nine elected councillors on my police authority among 17. It is true that the majority of those nine must approve the precept as well as a majority of the 17, but it is certainly less of a democratic mandate than that for local councils in which all the local councillors are elected. I have understood, previously, that when the Communities Secretary, rather than the Home Secretary, has capped an authority, that has not been popular with the authority, but I have understood why it happened. However, I can see the attraction of moving from that to a referendum power as we are doing with local government.

I think there is a potential problem or issue, which I hope can be resolved through the Bill or its application, with bringing in the new body—the local police and crime panel. The panel will have a representative from every council in the police area, and I particularly welcome the involvement of district councils, which have been so important in developing crime and disorder reduction partnerships and community safety partnerships. Their involvement on the ground will be a real advantage: it will bring real insight to the commissioner and the force and it will pull local government more generally into the new arrangements. We hear a lot about the Local Government Association or police authorities not liking the new arrangements, and people who have a particular stake in the existing process might say that, but the districts coming in is going to be a real gain.

There is dispute about how strong the panel will be, and its powers are characterised in various ways, but one of its key powers will be its oversight and scrutiny of the budget. It is proposed that, in extremis, if three quarters of the panel agree, the panel can exercise what is described as a veto in the Bill, and paragraphs 7 and 8 of schedule 5 prescribe that the Secretary of State can make further regulations on that. In Committee, the Minister described some of his intentions for the regulations, but I am a little unclear about that because the regulations referred to in the Bill seem to be about how that veto process will work, whereas quite a lot of the detail that the Minister gave to the Committee seemed to refer to

when or where there would be a referendum and the Secretary of State's involvement. That is one of the issues, because it is envisaged in the Localism Bill that the Secretary of State will have referendum-calling powers and will presumably use regulations to determine how that happens. It is envisaged in the Police Reform and Social Responsibility Bill that the panel will have a veto and that there will be regulations on that. The crossover is not clear. There will be a directly elected individual who will come to office with a great mandate. One of his responsibilities is to set the budget and the precept, yet there are two other bodies—the panel and the Secretary of State; it is not clear whether it is the Secretary of State for Communities and Local Government or the Home Secretary—who have at least some locus standi in setting the budget.

5.30 pm

We have to trust the commissioner generally to get on with it. There should be a reserve power, so that in extremis if there is a serious problem with the commissioner or if he does something that is completely out of line, the body with that power can come in and mitigate the problem. However, I am not convinced that we need two bodies, with the panel supposedly exercising a veto and the Secretary of State possibly requiring a referendum. It is not quite clear how those two things work together. The new clause would try to achieve greater clarity with a focus on the local and democratic. The Bill refers to giving the panel a veto, but when I read what the Minister said about what the regulations would do, it was not clear that it was a veto. If what is described as a veto is exercised, the elected commissioner has to “have regard to” that. We heard in the preceding debate how difficult that phrase can be. Having had regard to the veto, the commissioner can propose another figure—presumably, it would be at least marginally different—and can set it as the precept for the coming year.

Does the phrase “have regard to” mean that the commissioner has to do what the panel wants or, at the other extreme, is it envisaged that he can just come back with something marginally different, and that is his decision as the commissioner? Are we saying that we cannot really make up our mind and that the courts have to decide all this and there will be litigation? That does not strike me as ideal, so I hope that, perhaps in the other place, we will reach agreement on this issue.

Dr Huppert: I am interested in the point that the hon. Gentleman made about having to use litigation. There is serious concern about what would happen if, when a budget was set, there was uncertainty and we had to use court orders. I am sure that he is aware of the cost of rebilling, and there is an important principle that we want to set all the amounts of council tax, while we still have council tax, at the same time, rather than send out multiple letters, which would just add to the cost of that process.

Mark Reckless: In my reference to litigation, I was alluding to the fact that the prospect of dispute, at least on the first occasion, given the narrow time scales and the costs of rebilling, would not be a positive thing. I have worked closely with my hon. Friend on the Home Affairs Committee on the issue—his hon. Friend the Member for Carshalton and Wallington (Tom Brake) is

strongly involved in these issues too—and I feel that there is a significant measure of agreement between us. In the coalition, it is important that we decide what we want to do, and state that clearly in the Bill and subsequent regulations so that we do not face the prospect of litigation.

Some Liberal Democrats may like the idea of a complete veto for the panel, but I am not sure that many of my Conservative colleagues would necessarily agree, given that the commissioner has a directly elected mandate and the members of the panel are appointed. However, I am convinced that a measure of financial oversight by the panel and by the councillors from every council who serve on it would be valuable. It will keep the commissioner linked in to local government, which is extremely important. The Minister has a criminal justice portfolio, and there is extraordinary scope for the elected commissioners to act in the wider criminal justice area. However, we do not want a great division to open up between local government and the work of the elected commissioner in criminal justice, so that knitting together is important.

Steve McCabe: I recognise that the hon. Gentleman feels strongly about this element, but if it is valid to argue that the commissioner must be virtually in a negotiation position with the panel so that they arrive at the right decision on the precept, I do not understand why, in every other respect, the commissioner should be able to arrive at his decision independently, with the role of the panel being simply to scrutinise it. Why does the hon. Gentleman make an exception in relation to the precept? Surely the logic of his argument is that the panel should have a different set of powers in relation to the commissioner.

Mark Reckless: The power over the precept is an extraordinarily important one, particularly over the whole elected term of the commissioner. Even I, as a strong supporter of directly elected commissioners, would be slightly nervous about one individual on his own taking those budgetary decisions for a number of years. I welcome the involvement of the panel in that, but I do not envisage a constant negotiation—[*Interruption.*] I apologise to the House.

A three quarters majority will be required. What is needed is almost a reserve power, so that if the commissioner wants to slash the budget massively against the will of the local area, or put through really hefty increases, there is some oversight and some way that that can be mitigated. The panel is a sensible body to do that, but we need to be clear what it would then do. Would it veto the plans and would the commissioner be obliged to accept that, or would it just say, “Go away and think again”?

The present wording, “have regard to”, represents an intended compromise, but leads to considerable uncertainty. As none of us wants to see litigation on this aspect, I am proposing instead that we bolster the local crime panel with a clear power. That will not necessarily be a veto as, if it is, it will be a soft veto. If the panel was seriously worried about the precept, there could be a referendum in the local area. The members of the panel would be appointed by the councils in that area, so those councils would bear the cost of a referendum. They would think long and hard before calling a referendum if they were paying for it.

That arrangement would provide some protection. If the commissioner went off in one direction, away from others, it would give some possibility of pulling him back, but it would not make him subject to the panel, because the commissioner would have the directly elected mandate, whereas the panel would be appointed. Giving the panel the power to require a referendum would be a sensible way forward.

We may be envisaging a referendum power, but it seems that we are expecting to import parts of the Localism Bill into the policing environment, when we already have a separate police and crime panel as a check on the elected commissioner, whereas we do not have a similar check in local government. I propose that the two should be distinct and that the Secretary of State for Communities and Local Government should have the power of referendum for local councils, but in the policing universe where we are setting up a panel that will be representative, that panel should be responsible. In extremis, it would have the power to call a referendum on the local precept. We therefore would not need the central oversight and dictation of the Secretary of State in this area.

The new clause would bring greater clarity and provide the local and democratic arrangements that we need. I commend it to the House.

Steve McCabe: I shall be brief. I am intrigued that the hon. Member for Rochester and Strood (Mark Reckless) has tabled the new clause. It is a matter of great regret that he was not a member of the Committee that scrutinised the Bill. What we are beginning to hear in his contributions is how much doubt exists in the hearts of Conservative Back Benchers about some of the key elements of the Bill. That was evident in some of his earlier amendments, but it is extremely evident in this group. He is prepared to tolerate a single elected individual having enormous power over the shape and influence of an area police force over a four-year cycle. He is prepared to tolerate a police and crime plan that might change the shape and direction of the force beyond all recognition. Despite being a loyal and active member of a police authority that has massive experience and whose benefits he regularly tells us about, he is prepared to put up with all those measures.

The hon. Gentleman realises in his heart the fundamental danger that, if the Government persist with their present approach to cuts in police funding, at some stage authorities in parts of the country of the kind he represents will be on a collision course with the Government. The police commissioner will be forced to look at the question of the precept as a means of off-setting the budget cuts that the force is facing. The hon. Gentleman does not want to be in that position when a single elected police commissioner is able to bring forward a proposal for a hugely increased precept, because he fears what the electors in his area will say about that and the repercussions for himself and his party followers.

Mark Reckless: I must say that that really is not the case and has not been my experience. In Kent we have been able to find significant savings in our budget while protecting the front line and, in the words of our chief constable, have an opportunity to have a more efficient and effective force. As an elected Member, I looked to constituents in the private sector who are suffering and

[Mark Reckless]

wanted to see some savings made in the police budget. My colleagues did not agree this year—they perhaps did not have the same direct election focus—but then they did come to realise this and we found significant savings. It is because we have that democratic element that we are able to find the savings and get the police to operate more efficiently, and the elected commissioners should be able to do that even better.

Steve McCabe: That democratic element cannot be fundamentally unique in relation to setting the precept but absolutely different in relation to any other aspect of the work of the commissioner. It is my contention that the people who support the amendment fear what will happen when the precept has to be ratcheted up to compensate for the cuts. They know that there will be massive electoral consequences and so are seeking to insert a device to denude the commissioner of the one power that they fear more than any other.

Dr Huppert: I am not sure that I agree with everything the hon. Gentleman is saying. Does he not agree that the precept is in some sense absolutely key to what is happening, because it sets the total envelope of resource available to a chief constable to do their job? It is one of the most fundamental decisions that could be made by the commissioner.

Steve McCabe: If I was to stand as a candidate for police commissioner and was setting out my stall for the kind of police force I would want to see, I would not have to put on my election material the caveat, "By the way, I'll have no power over the fundamental decision about funding." With the greatest respect, I think that the hon. Gentleman has missed the point. The Government are trying to have it both ways: they want to create political commissars to run the police, but they also want to retain the power to mitigate the risk that the commissioner might come up with a precept that is unacceptable to the electorate. That is classically what is wrong with the Bill. It is designed to give the commissioner power in the areas that suit the Government, but at the heart of the Conservative party there is a doubt about that. The Government are trying to back the proposal while simultaneously watering down its key element because they fear that the course of action that they have embarked on will have electoral consequences for them.

Michael Ellis: Will the hon. Gentleman confirm whether the previous Labour Government did something very similar on elected mayors?

Steve McCabe: I am talking about police commissioners, although I am happy to tell the hon. Gentleman that I am not particularly a fan of elected mayors. However, if we are going to have mayors, I would have them elected, not imposed under a shadowing arrangement first, because that suggests that there is some doubt about their validity. If he wants to talk about elected mayors, he should move on to safer ground.

5.45 pm

I have doubts about the intention behind the new clause. I admire the dedication that the hon. Member for Rochester and Strood shows on these issues. I wonder

why, however, some Government Members are happy to swallow all the other elements, but on the key element of finance, want the power to water down the powers and take hold of the commissioner.

Dr Huppert: I am still unclear. If the hon. Gentleman does not support the alternative in the new clause, is he saying that he prefers the existing mechanism, which involves the Secretary of State? Which is he arguing for, or is he arguing against both?

Steve McCabe: I am saying quite simply that the nature of the existing powers, as I understand them, would give the Secretary of State the right to intervene. If the Government do not have faith in their own system, it seems right that they should have the power to intervene. However, what I do not want is a scheme that says, "We're in favour of police commissioners, but by the way we're going to limit their power when it comes to the area where we think there could be electoral disadvantage for us."

Dr Huppert: It is a pleasure, as ever, to follow the hon. Member for Birmingham, Selly Oak (Steve McCabe). We have spent much time together on the Bill Committee, on a previous Bill Committee and in the Home Affairs Select Committee crossing swords on some of these issues. I am encouraged by the new clause in the name of the hon. Member for Rochester and Strood (Mark Reckless), because it would do some useful things for which I argued in Committee. It talks about strengthening the panel. We talked earlier about the Liberal Democrats' initial manifesto commitment to having a strong panel, and there have been negotiations among the different sides about how to fit the two models together. However, the new clause moves in the direction I tend to prefer, so as ever it is a pleasure to work with him.

The new clause also leans more towards local accountability, which to me is very important. I have always been a localist—not only since the formation of the coalition Government—and I think that this policy should be about local determination. That was what was wrong with capping council taxes. We had councils that could not make sensible decisions owing to capping powers and because the Secretary of State was too remote from what was going on locally. Those councils could not make sensible decisions whether on tiny increases in very low council taxes, because those increases went above a certain percentage, or on moving from a council tax of zero, which was possible in a few rather unusual places, because any increase broke the percentage rule.

What the hon. Member for Birmingham, Selly Oak said was interesting. First, there is the issue of the precept. Why is the precept different from all other areas? We could adjust a whole lot of different premises, but the precept is the key. As I said in my intervention, it is what determines how much money is available to the chief constable. If only one decision could be made by a commissioner each year, the total amount of cash is surely the one for which we would want to provide the most control. It is also the one on which there would not be advice and policy guidance from other bodies on how to operate and what the constraints might be. It is properly a decision to be taken locally.

There are questions about what one does if a commissioner makes a decision that is held to be unreasonable by other people locally. This applies whether

to a commissioner or a council leader. Whatever the structure, there will always be situations in which there is disagreement about whether something is being done appropriately. The question is: how do we resolve that disagreement? I was interested in the response that the hon. Gentleman gave to my question. He seemed to be arguing for the Secretary of State to have that power, but that is precisely the opposite of the localist agenda that I would like put in place. The Secretary of State should not be interfering in how the precept is set. They should do their utmost not to have anything to do with it, if possible. They should have a role in setting the framework, but they should not have the power to say, "That is too much. I'm the Secretary of State and I say so."

Steve McCabe: Perhaps I can clarify matters a fraction for the hon. Gentleman. My point is that the police Minister and the Secretary of State inevitably have some responsibilities for the police that go beyond localism, as was discussed extensively in Committee. In fact, if I recall rightly, we discussed what would happen if the budget was set too low and therefore did not enable the police force to fulfil its obligations. The argument that the Minister advanced at the time was that the Secretary of State should have the power to step in. The hon. Gentleman seems to be arguing for a pure form of localism that completely ignores that—

Mr Speaker: Order. Interventions are becoming increasingly lengthy, and they need to be rather shorter.

Dr Huppert: Thank you, Mr Speaker, although this is a matter of great interest, so I have sympathy for the hon. Gentleman, having made my own mistakes earlier this afternoon. I lean towards pure localism. Let us remember that the people on the panel making the decision will be councillors appointed by their local authorities. In Cambridgeshire, for example, I find it hard to see how, say, the representative from Cambridge city council could look at a budget that was insufficient to provide the basic policing and say, "Yeah, that's fine. I can't be bothered to interfere with this one." I do not have that lack of faith in our local councils or our local democratic system. I have concerns, although I prefer the new clause to the original proposals, under which the Secretary of State would have had a strong role. However, I do not entirely agree with everything in the new clause. In particular, I am not comfortable with the idea of having to have a three-quarters majority, which we discussed in Committee, as Members will know. I tend towards a somewhat lower figure.

Michael Ellis: My hon. Friend has misgivings about having a 75% majority, but does he not feel that it ought to be that high, because that is what would be required to overrule a democratically elected figure, which ought to be a severe circumstance and rare happening?

Dr Huppert: It is important to remember that, with the exception of the two independents—another example of how I would not have designed the system—the majority of panel members will be democratically elected, representing their councils in their system. They are not directly democratically elected, but they are indirectly democratically elected. As I am sure the hon. Gentleman will know, the model in London is a two-thirds majority for scrutiny of a democratically elected individual, so I

am more comfortable with two thirds. That does not make a huge difference for a typically sized panel, which will have 12 people. We said in Committee that the difference will be between nine votes and eight votes, but it is more useful to look at it the other way. In order to stop the veto, the commission would have to get four or five people either to vote with him or not to be there. That makes a bigger difference as the panel gets bigger.

The structure of the new clause is more positive than has been described, because it leans towards trying to have sensible discussions and negotiations. It starts with a commissioner making a proposal. Then the panel looks at the proposal and comments on it, before the commissioner works out what he will do. Unless it is vetoed, the precept is set, but if it is vetoed, it does not go to a referendum straight away. Ultimately, that is something that we are all trying to avoid, because of the associated costs of running unnecessary referendums and the risk of re-billing, which is a particular problem with this issue and capping. There is then another opportunity, over 14 days, for the two sides to negotiate and see whether they can come to a more sensible arrangement that works for both of them. Only if that is not possible is a further step taken.

That step is not about saying, "Secretary of State, tell us what to do. It's up to you." It is about saying that what should be done is up to local people. It is up to the commissioner to set one option and the panel to set another, and then the public will decide which they prefer. That is a much more appropriate way of doing things. The panel would act responsibly when it came to cost, with the exception of the independents, who do not have that responsibility and are a piece of undemocratic grit in the system. However, it will be local decision making that makes a difference. Local people should have a say in how their precept should be set and how their policing should be run. That is what I would like to see. I am delighted that the hon. Member for Rochester and Strood (Mark Reckless) has moved the new clause for discussion, and I hope that the Government will consider it carefully.

Chris Bryant (Rhondda) (Lab): It feels as though I have entered a meeting of the Home Affairs Committee, which is where I was yesterday, but I am not going to talk about the Metropolitan police in quite the same way today.

I sympathise with some of the arguments about localism which have been advanced by the hon. Members for Rochester and Strood (Mark Reckless) and for Cambridge (Dr Huppert), who spoke in favour of the new clause, but I say to them that, although there may be a natural constituency in some police authorities, in many there is not. In the South Wales police area, for instance, it is not easy to conceive of a single constituency of interest. The area does not exist in any other denomination, as it were, and it crosses local authority boundaries, brings together Swansea and Cardiff, which is something extraordinary in itself, and brings the valleys together with two of the three big cities of south Wales, so it would be very difficult to come to a really local idea.

The new clause is primarily about money, however, so I want to ask the Minister a few questions. I realise that he may not be able to answer this evening, but I hope

[Chris Bryant]

that he will write to me on some of these matters, because they are—in relation to chapter 6, in particular—quite important.

The Bill partially determines the way in which somebody is elected, but there is a great deal more work to be done on exactly how the electoral system will work—for precisely the reason that I mentioned: the constituencies do not exist. New constituencies are being created, and we need to ensure that, in terms of how elections are managed, there is some consistency within the constituency that we create. I just wonder whether—

Mr Speaker: Order. Can I just gently point out to the hon. Member for Rhondda that it is on the subject of precepts that he will want to focus his remarks?

Chris Bryant: I know I am chancing my arm, Mr Speaker, but I cannot chance it anywhere else on Report, and these issues have not yet been covered.

Of course, the issue of precepts is fundamentally about money.

Mr Speaker: Order. Can I just remind the hon. Gentleman that there will be an opportunity on Third Reading for him to dilate? Whether that is convenient for him is unknown to me—but it might be appropriate.

Chris Bryant: Mr Speaker, I do not know whether you really want me to dilate at any point.

I was merely trying to say that, on the matter of money, which is the point at hand, there is a question about how any commissioner would be able to make sure that in advance of future elections there was enough money to be able to pay for the process of explaining to the electorate the supplementary voting system, which will not have been used in many other parts of the country. I would be grateful if the Minister were able to expand on how he will achieve that, on the precise powers that will be available to the Electoral Commission and on when he will bring forward supplementary powers in relation to that.

Having chanced my arm as far as I think you will allow, Mr Speaker, I surrender to the rest of the debate.

Nick Herbert: In the three minutes that are now available to me, I will have to try to explain why my hon. Friend's approach is interesting but wrong in relation to how the precept is dealt with.

I explained in Committee the process following a veto, and the Home Secretary will set that out in regulations. They will require, as the amendment would, that the police and crime commissioner considers the panel's recommendations and then proposes an amended precept, which must take the panel's recommendations into account.

This is where the Bill diverges from the proposed changes, however. Under the regulations that we propose, we say that, if the amended precept is "excessive" under the definition in the Localism Bill, the police and crime commissioner will set the precept but a referendum will be triggered. The panel will not be able to prevent that, but it will be able to propose an alternative precept with accompanying reasons that will have to be published. The public will then have to decide—having both sides of the story.

Dr Huppert: Will the Minister give way?

Nick Herbert: I do not have time, I am afraid.

As we envisage the situation, the public will be able to decide whether to go with the police and crime commissioner's precept, but only when a precept is excessive. Under the changes that my hon. Friend the Member for Rochester and Strood (Mark Reckless) proposes, however, the public would decide every time a panel vetoed a precept, unless the commissioner and the panel were able to reach an agreement within two weeks of the vote. We have not gone down that route, despite considering it very carefully, because referendums are very expensive and the police and crime commissioner would have to pay for them on each occasion. If the commissioner's amended precept is not excessive within the Localism Bill definition, regulations will require the proposal to go again before the panel. Following that, the police and crime commissioner will be able to set the precept without a referendum. He or she must consider the panel's recommendations. Where the panel has voted again to reject that precept, he or she must publish the panel's alternative precept and its reasons and must set out in the same document why he or she did not implement the panel's proposals.

I accept that the public must have a role in deciding what precept they pay, and under our policy they will have one, or potentially two, opportunities to do this—once when they elect their police and crime commissioner, and again when a police and crime commissioner sets an excessive precept.

6 pm

Debate interrupted (Programme Order, this day).

The Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E). That the clause be read a Second time.

Question negatived.

The Speaker then put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Clause 5

POLICE AND CRIME COMMISSIONERS TO ISSUE POLICE AND CRIME PLANS

Amendments made: 6, page 5, line 32, at end insert

'if, and to the extent that, the plan or variation is different from the draft prepared in accordance with subsection (6)'

Amendment 7, page 6, line 11, after 'plan', insert 'or variation'.—(Nick Herbert.)

Clause 6

MAYOR'S OFFICE FOR POLICING AND CRIME TO ISSUE POLICE AND CRIME PLANS

Amendments made: 8, page 6, line 44, at end insert

'if, and to the extent that, the plan or variation is different from the draft prepared in accordance with subsection (6)'

Amendment 9, page 7, line 12, leave out 'and (7) to (8A)' and insert

'(7) to (8A), and (10) to (12)'.—(Nick Herbert.)

Clause 10

CO-OPERATIVE WORKING

Amendments made: 10, page 10, line 4, leave out 'in' and insert 'for'.

Amendment 11, page 10, line 27, at end insert—

"functions" does not include functions which are exercisable only in relation to Wales and relate to matters in relation to which the Welsh Ministers have functions;—(Nick Herbert.)

Clause 18

DELEGATION OF FUNCTIONS BY POLICE AND CRIME
COMMISSIONERS

Amendment made: 12, page 14, line 8, after 'arrange', insert 'under this section'.—(Nick Herbert.)

Clause 19

DELEGATION OF FUNCTIONS BY MAYOR'S OFFICE FOR
POLICING AND CRIME

Amendment made: 13, page 15, line 8, leave out from 'of' to end of line 9 and insert

'the Mayor's Office for Policing and Crime which is, in accordance with subsection (1), exercisable by the Deputy Mayor for Policing and Crime'.—(Nick Herbert.)

Clause 25

OTHER GRANTS ETC UNDER POLICE ACT 1996

Amendment made: 15, page 19, line 20, leave out sub-paragraph (ii).—(Nick Herbert.)

Clause 28

POLICE AND CRIME PANELS OF LOCAL AUTHORITIES

Amendments made: 16, page 20, line 22, leave out subsection (1) and insert—

'(1) Each police area, other than the metropolitan police district, is to have a police and crime panel established and maintained in accordance with Schedule (Police and crime panels) (police and crime panels).'

Amendment 17, page 20, line 33, leave out 'elected local policing body' and insert 'police and crime commissioner'.

Amendment 18, page 21, line 12, leave out from 'commissioner' to end of line 15 and insert—

'(6A) The police and crime panel for a police area in England must send copies of any such reports or recommendations to each local authority whose area falls wholly or partly within the police area.'

Amendment 19, page 21, line 18, leave out from beginning to end of line 28 and insert—

'(8) Schedule (Police and crime panels) (police and crime panels) has effect.

(9) In this section "local authority" means a county council or a district council'.—(Nick Herbert.)

Clause 29

POWER TO REQUIRE ATTENDANCE AND INFORMATION

Amendment made: 20, page 21, line 33, at end insert—

'() Nothing in subsection (1) requires a member of the police and crime commissioner's staff to give any evidence, or produce any document, which discloses advice given to the commissioner by that person'.—(Nick Herbert.)

Clause 30

SUSPENSION OF POLICE AND CRIME COMMISSIONER

Amendment made: 14, page 22, line 16, leave out 'of two years or more' and insert 'exceeding two years'.—(Nick Herbert.)

Clause 103

INTERPRETATION OF PART 1

Amendment made: 21, page 64, line 38, leave out 'established under' and insert 'referred to in subsection (1) of'.—(Nick Herbert.)

New Schedule 1

'POLICE AND CRIME PANELS

PART 1

TYPE OF PANEL WHICH POLICE AREA IS TO HAVE

England

1 (1) Each police area in England, other than the metropolitan police district, is to have a police and crime panel established and maintained in accordance with Part 2 of this Schedule.

(2) But the Secretary of State may, by order, provide that any such police area is to have (for as long as the order has effect) a police and crime panel established and maintained in accordance with Part 3 of this Schedule (instead of a panel established and maintained in accordance with Part 2).

(3) The Secretary of State may make an order under sub-paragraph (2) in relation to a single-authority police area only if the Secretary of State is of the opinion that the relevant local authority has failed to nominate or appoint one or more of its councillors as members of the panel in accordance with paragraphs 6 and 9.

(4) The Secretary of State may make an order under sub-paragraph (2) in relation to a multi-authority police area only if the Secretary of State is of the opinion that all the relevant local authorities have (whether at the same time or at different times) failed to nominate or appoint one or more of their councillors as members of the panel—

(a) in accordance with paragraphs 7 and 9 (in the case of a police area which covers ten or more local authorities), or

(b) in accordance with paragraphs 8 and 9 (in the case of a police area which covers nine or fewer local authorities).

Wales

2 Each police area in Wales is to have a police and crime panel established and maintained in accordance with Part 3 of this Schedule.

PART 2

PANELS ESTABLISHED BY LOCAL AUTHORITIES

Establishment and maintenance of panels

3 (1) This Part of this Schedule applies in relation to each police area in England (other than the metropolitan police district), unless an order under paragraph 1(2) has effect in relation to the police area.

(2) The local authority or local authorities which such a police area covers must—

- (a) establish and maintain a police and crime panel for the police area, and
- (b) make the panel arrangements (see paragraph 23) for the police and crime panel.

(3) In the case of a multi-authority police area, all the relevant local authorities must agree to the making or modification of the panel arrangements.

(4) In the following provisions of this Part of this Schedule, a reference to a police and crime panel is a reference to a panel established and maintained in accordance with this paragraph.

Membership and status

4 (1) A police and crime panel for a police area is to consist of the following members—

- (a) the relevant number of persons properly appointed as members of the panel; and
- (b) two members co-opted by the panel.

(2) For the purposes of sub-paragraph (1), the "relevant number" is—

- (a) ten (if the police area covers ten or fewer local authorities); or
- (b) the number that is equal to the number of local authorities which the police area covers (if the police area covers eleven or more local authorities).

(3) A police and crime panel is—

- (a) a committee of the relevant local authority (if it is the panel for a single-authority police area), or
- (b) a joint committee of the relevant local authorities (if it is the panel for a multi-authority police area).

(4) A police and crime panel may not exercise any functions other than those conferred by this Act.

Persons properly appointed as members of panels

5 (1) In this Part of this Schedule, a reference to a person properly appointed as a member of a police and crime panel is a reference to—

- (a) a person nominated by a relevant local authority to be a member of the panel, and appointed by the authority as a member of the panel, in accordance with paragraphs 6 and 9, paragraphs 7 and 9, or paragraphs 8 and 9, or
- (b) a person nominated by the Secretary of State to be a member of the panel, and appointed by the Secretary of State as a member of the panel, in accordance with paragraph 10.

(2) In the case of the police and crime panel for a multi-authority police area which covers nine or fewer local authorities, the panel arrangements must make provision as to the relevant local authority or authorities who are to have power to appoint the extra members of the panel (see paragraph 8(3)(b)).

(3) For that purpose "extra members" means the number of members of the panel produced by this calculation—

where L is the number of local authorities which the police area covers.

Single-authority police area: nomination by local authority

6 (1) This paragraph applies in relation to the police and crime panel for a single-authority police area.

(2) If the number of appointed members of the police and crime panel is less than the full complement, the relevant local authority may nominate the appropriate number of its councillors to be members of the police and crime panel.

(3) A relevant local authority may not make a nomination under this paragraph if, and for as long as, a notice given to the authority by the Secretary of State under paragraph 10(8) is in force.

(4) In this paragraph—

"appropriate number" means the number that is equal to the difference between—

- (a) the full complement; and
- (b) the number of appointed members of the panel;

"full complement" means ten members.

Police area covering ten or more local authorities: nomination by local authority

7 (1) This paragraph applies in relation to the police and crime panel for a police area which covers ten or more local authorities.

(2) In a case where—

- (a) the number of appointed members of the police and crime panel is less than the full complement, and
- (b) there is no member of the panel who was appointed by a particular relevant local authority,

the authority may nominate one of its councillors to be a member of the police and crime panel.

(3) A relevant local authority may not make a nomination under this paragraph if, and for as long as, a notice given to the authority by the Secretary of State under paragraph 10(8) is in force.

(4) In this paragraph, "full complement" means the number of appointed members which the panel is to have by virtue of paragraph 4(1)(a).

Multi-authority police area covering nine or fewer local authorities: nomination by local authority

8 (1) This paragraph applies in relation to the police and crime panel for a multi-authority police area which covers nine or fewer local authorities.

(2) In a case where—

- (a) the number of appointed members of the police and crime panel is less than the full complement,
- (b) a particular relevant local authority does not have power under the panel arrangements to appoint an extra member of the panel (see paragraph 5(2)), and
- (c) there is no member of the panel who was appointed by the authority,

the authority may nominate one of its councillors to be a member of the police and crime panel.

(3) In a case where—

- (a) the number of appointed members of the police and crime panel is less than the full complement,
- (b) a particular relevant local authority has power under the panel arrangements to appoint one or more extra members of the panel (see paragraph 5(2)), and
- (c) the number of members of the panel who are members by virtue of appointment by the authority is less than the authority's quota of members,

the authority may nominate the permitted number of its councillors to be members of the police and crime panel.

(4) A relevant local authority may not make a nomination under this paragraph if, and for as long as, a notice given to the authority by the Secretary of State under paragraph 10(8) is in force.

(5) In this paragraph, in relation to a police and crime panel and a relevant local authority—

"full complement" means ten members;

"permitted number" means the number that is equal to the difference between—

- (a) the authority's quota of members; and
- (b) the number of members of the panel who are members by virtue of appointment by the authority;

"quota of members" means the number of members calculated by adding one to the number of extra members of the panel which the authority has power to appoint under the panel arrangements (see paragraph 5(2)).

Appointment after nomination by local authority

9 (1) This paragraph applies where a relevant local authority makes a nomination under paragraph 6, 7 or 8.

(2) If the nominee accepts the nomination, the relevant local authority may appoint the nominated councillor as a member of the panel.

(3) If the nominee does not accept the nomination, the relevant local authority may nominate another of its councillors to be a member of the police and crime panel (and sub-paragraph (2) or this sub-paragraph applies accordingly, as if the nomination were made under paragraph 6, 7 or 8).

Failure of local authority to appoint member: nomination and appointment by Secretary of State

10 (1) This paragraph applies if the Secretary of State is satisfied that—

- (a) the number of appointed members of a police and crime panel is less than the full complement, and
- (b) a relevant local authority (the "defaulting local authority")—
 - (i) has failed to nominate or appoint one or more of its councillors as members of the panel in accordance with paragraphs 6 and 9, paragraphs 7 and 9, or paragraphs 8 and 9, or
 - (ii) does not have power to make such a nomination and appointment because of paragraph 6(3), 7(3) or 8(4).

(2) The Secretary of State must nominate the appropriate number of persons who are councillors of relevant local authorities to be members of the police and crime panel.

(3) Sub-paragraph (4) or (5) applies in relation to each nomination which the Secretary of State is required to make under sub-paragraph (2).

(4) If the nominee accepts the nomination, the Secretary of State must appoint the nominated councillor as a member of the panel.

(5) If the nominee does not accept the nomination, the Secretary of State must nominate another person who is a councillor of a relevant local authority to be a member of the police and crime panel (and sub-paragraph (4) or this sub-paragraph applies accordingly, as if the nomination were made under sub-paragraph (2)).

(6) In complying with this paragraph in relation to the police and crime panel for a multi-authority police area, the Secretary of State must secure (as far as is reasonably practicable) that the fair representation objective is met.

(7) The "fair representation objective" referred to in sub-paragraph (6) is—

- (a) in the case of a police area which covers ten or more local authorities, the objective that each relevant local authority has only one of its councillors as a member of the panel;
- (b) in the case of a police area which covers nine or fewer local authorities, the objective that each relevant local authority has at least one of its councillors as a member of the panel.

(8) If the Secretary of State—

- (a) is satisfied that a relevant local authority has failed to nominate or appoint one or more of its councillors as members of the panel as mentioned in sub-paragraph (1)(b), and
- (b) is considering whether to exercise, has decided to exercise, or has exercised, the power under this paragraph to make a nomination,

the Secretary of State may give the authority notice that the Secretary of State is satisfied as mentioned in paragraph (a) of this sub-paragraph.

(9) A notice given under sub-paragraph (8) may be withdrawn by the Secretary of State at any time.

(10) For the purposes of sub-paragraph (1)(b)(i), it is irrelevant that a relevant local authority which has failed to nominate or appoint a councillor as a member of the panel—

- (a) may have power under any of paragraphs 6 to 9 to make a further nomination; or
- (b) is complying with, or has complied with, the panel arrangements relating to that panel.

(11) In this paragraph—

"appropriate number" means the number that is equal to the difference between—

- (a) the full complement; and
- (b) the number of appointed members of the panel;

"full complement" means the number of appointed members which the panel is to have by virtue of paragraph 4(1)(a).

Costs of the panel

11 (1) This paragraph applies to a multi-authority panel.

(2) The panel arrangements must make provision about—

- (a) how the relevant local authorities are to meet the costs of the panel; and
- (b) insofar as the provision is necessary, how funds paid (whether by the Secretary of State or otherwise) to meet the costs of the panel are to be paid to, or distributed between, the relevant local authorities.

PART 3

PANELS ESTABLISHED BY THE SECRETARY OF STATE

Establishment and maintenance of panels

12 (1) This Part of this Schedule applies in relation to—

- (a) each police area in Wales, and
- (b) each police area in England in relation to which an order under paragraph 1(2) has effect.

(2) The Secretary of State must—

- (a) establish and maintain a separate police and crime panel for each police area to which this Part of this Schedule applies, and
- (b) make the panel arrangements (see paragraph 23) for each police and crime panel established and maintained in accordance with this paragraph.

(3) The Secretary of State may make different panel arrangements for different police and crime panels.

(4) In the following provisions of this Part of this Schedule, a reference to a police and crime panel is a reference to a panel established and maintained in accordance with this paragraph.

Membership and status

13 (1) A police and crime panel for a police area is to consist of the following members—

- (a) the relevant number of persons appointed by the Secretary of State as members of the panel; and
- (b) two members co-opted by the panel.

(2) For the purposes of sub-paragraph (1), the "relevant number" is—

- (a) ten (if the police area covers ten or fewer local authorities); or
- (b) the number that is equal to the number of local authorities which the police area covers (if the police area covers eleven or more local authorities).

(3) A police and crime panel is not a committee or joint committee of any local authority or local authorities.

Wales: persons appointed by the Secretary of State as members of panels

14 In this Part of this Schedule, a reference to a person appointed by the Secretary of State as a member of a Welsh police and crime panel is a reference to—

- (a) a person nominated by a relevant local authority to be a member of the panel, and appointed by the Secretary of State as a member of the panel, in accordance with paragraph 16(2) to (4)(a), or
- (b) a person nominated by the Secretary of State to be a member of the panel, and appointed by the Secretary of State as a member of the panel, in accordance with paragraph 16(4)(b) to (6).

Wales: Secretary of State to ask local authorities to nominate members of panels

15 (1) This paragraph applies in relation to a Welsh police and crime panel if the Secretary of State is satisfied that the number of appointed members of the panel is less than the full complement.

(2) In the case of a police and crime panel for a single-authority police area, the Secretary of State must ask the relevant local authority to nominate the appropriate number of the authority's councillors to be members of the panel.

(3) In the case of a police and crime panel for a multi-authority police area, the Secretary of State must—

- (a) decide which of the relevant local authorities to ask to make nominations under this sub-paragraph (the "nominating authorities");
- (b) decide what number of nominations under this sub-paragraph each nominating authority is to be asked to make; and
- (c) ask each nominating authority to nominate that number of the authority's councillors to be members of the panel.

(4) In complying with sub-paragraph (3), the Secretary of State must secure—

- (a) that the number of nominations which the nominating authority or authorities are asked to make (when taken together) is equal to the appropriate number; and
- (b) that (as far as is reasonably practicable) the fair representation objective is met.

(5) The "fair representation objective" referred to in sub-paragraph (4)(b) is—

- (a) in the case of a police area which covers ten or more local authorities, the objective that each relevant local authority has only one of its councillors as a member of the panel;
- (b) in the case of a police area which covers nine or fewer local authorities, the objective that each relevant local authority has at least one of its councillors as a member of the panel.

(6) In this paragraph—

"appropriate number" means the number that is equal to the difference between—

- (a) the full complement; and
- (b) the number of appointed members of the panel;

"full complement" means the number of appointed members which the panel is to have by virtue of paragraph 13(1)(a).

Wales: consequences of Secretary of State asking local authorities to make nominations

16 (1) This paragraph applies if, under paragraph 15, the Secretary of State asks a relevant local authority to nominate a councillor to be a member of a Welsh police and crime panel.

(2) The authority may make the nomination.

(3) If the authority makes the nomination, and the nominee accepts the nomination, the Secretary of State must appoint the nominated councillor as a member of the police and crime panel.

(4) If the authority fails to make the nomination, or the nominee does not accept the nomination, the Secretary of State must either—

- (a) ask the authority to make another nomination (and sub-paragraph (2), and sub-paragraph (3) or this sub-paragraph, apply accordingly, as if the request were made under paragraph 15); or
- (b) nominate a person who is a councillor of a relevant local authority to be a member of the police and crime panel.

(5) If the nominee accepts a nomination made under sub-paragraph (4)(b), the Secretary of State must appoint the nominated councillor as a member of the panel.

(6) If the nominee does not accept the nomination, the Secretary of State must nominate another person who is a councillor of a relevant local authority to be a member of the police and crime panel (and sub-paragraph (5) or this sub-paragraph applies accordingly, as if the nomination were made under sub-paragraph (4)(b)).

England: persons appointed by the Secretary of State as members of panels

17 In this Part of this Schedule, a reference to a person appointed by the Secretary of State as a member of an English police and crime panel is a reference to a person who has been appointed by the Secretary of State as a member of the panel in accordance with paragraph 18.

England: nomination and appointment of members of panels by Secretary of State

18 (1) This paragraph applies in relation to an English police and crime panel if the Secretary of State is satisfied that the number of appointed members of the panel is less than the full complement.

(2) The Secretary of State must nominate the appropriate number of persons who are councillors of relevant local authorities to be members of the police and crime panel.

(3) Sub-paragraph (4) or (5) applies in relation to each nomination which the Secretary of State is required to make under sub-paragraph (2).

(4) If the nominee accepts the nomination, the Secretary of State must appoint the nominated councillor as a member of the panel.

(5) If the nominee does not accept the nomination, the Secretary of State must nominate another person who is a councillor of a relevant local authority to be a member of the police and crime panel (and sub-paragraph (4) or this sub-paragraph applies accordingly, as if the nomination were made under sub-paragraph (2)).

(6) In this paragraph—

"appropriate number" means the number that is equal to the difference between—

- (a) the full complement; and
- (b) the number of appointed members of the panel;

"full complement" means the number of appointed members which the panel is to have by virtue of paragraph 13(1)(a).

Liabilities of panels

19 (1) All relevant liabilities relating to a police and crime panel are liabilities of the Secretary of State (and accordingly are not liabilities of any member of the panel).

(2) Any expense incurred by a member of a police and crime panel—

- (a) in respect of a relevant liability, or
- (b) otherwise in the exercise of, or purported exercise of, a function of the panel,

is to be borne and repaid by the Secretary of State.

(3) In this paragraph "relevant liability" means a liability which, but for this paragraph, would be a liability of a member of a police and crime panel (whether personally or as a member of that panel) in respect of anything done by—

- (a) that person in the exercise, or purported exercise, of a function of a member of the panel,
- (b) any other member of the panel in the exercise, or purported exercise, of a function of a member of the panel, or
- (c) the panel in the exercise, or purported exercise, of a function of the panel.

Provision of financial and other resources

20 (1) The Secretary of State may provide financial and other resources—

- (a) to a police and crime panel in connection with the exercise of the panel's functions;
- (b) to the members of a police and crime panel in connection with the exercise of their functions; and
- (c) to one or more of the relevant local authorities covered by a police area in connection with the exercise of functions by—
 - (i) such an authority in relation to the police and crime panel for that police area,
 - (ii) that panel, or
 - (iii) the members of that panel.

(2) The Secretary of State may provide financial or other resources under sub-paragraph (1) subject to conditions.

(3) In the case of resources provided under sub-paragraph (1)(c), the conditions which may be imposed include conditions requiring a relevant local authority to pass resources to, or share resources with, another relevant local authority.

(4) The power under this paragraph to provide resources is in addition to the duty under paragraph 19(2).

PART 4

GENERAL PROVISIONS

Restrictions on membership of panel

21 The police and crime commissioner for a police area may not be a member of the police and crime panel for the area.

22 A person may not be a co-opted member of the police and crime panel for a police area if the person is any of the following—

- (a) a member of the staff of the police and crime commissioner for that police area;
- (b) a member of the civilian staff of the police force for that police area;
- (c) a member of a local authority which is covered by that police area;
- (d) a Member of Parliament;
- (e) a member of the National Assembly for Wales;
- (f) a member of the Scottish Parliament;
- (g) a member of the European Parliament.

Panel arrangements

23 (1) Panel arrangements are arrangements for the establishment and maintenance of a police and crime panel.

(2) Panel arrangements must make provision about the co-option of, and holding of office by, the two co-opted members of the police and crime panel.

(3) Panel arrangements must include provision about—

- (a) the term of office of appointed members and co-opted members of the panel;
- (b) resignation, and removal, of appointed members and co-opted members of the panel;
- (c) conditions for re-appointment of appointed members and co-opted members of the panel.

(4) Panel arrangements may not make rules of procedure for the police and crime panel (as to which see paragraph 24).

(5) Panel arrangements may make different provision for different cases.

(6) The following persons must comply with the panel arrangements relating to a police and crime panel—

- (a) each relevant local authority;
- (b) each member of the police and crime panel.

Rules of procedure

24 (1) A police and crime panel must make rules of procedure for the panel.

(2) A police and crime panel's rules of procedure must make provision about the appointment, resignation and removal of a person to chair the panel.

(3) The police and crime panel's rules of procedure may, in particular, make provision about—

- (a) the method of making decisions, and
- (b) the formation of sub-committees.

(4) A sub-committee of a police and crime panel may not co-opt members.

(5) This paragraph is subject to paragraph 26.

Voting by members

25 All members of a police and crime panel may vote in proceedings of the panel.

Exercise of special functions

26 (1) The special functions of a police and crime panel may not be discharged by a committee or sub-committee of the panel.

(2) In this paragraph "special functions" means the functions conferred on a police and crime panel by—

- (a) section 28(2) (scrutiny of police and crime plan);
- (b) section 28(3) (scrutiny of annual report);
- (c) Schedule 5 (issuing precepts); and
- (d) Part 1 of Schedule 8 (scrutiny of appointment of chief constables).

Allowances

27 The panel arrangements may make provision about the payment of allowances to members of the police and crime panel.

Promotion of, and support, for panels

28 The panel arrangements must make provision for—

- (a) the role of the police and crime panel to be promoted;
- (b) administrative and other support to be given to the police and crime panel and its members;
- (c) support and guidance to be given to—
 - (i) members of relevant local authorities,
 - (ii) members of the executives (if any) of relevant local authorities, and
 - (iii) officers of relevant local authorities,

in relation to the functions of the police and crime panel.

Validity of proceedings

29 The validity of the proceedings of a police and crime panel is not affected by a vacancy in the membership of the panel or a defect in appointment.

Duty to produce balanced panel

30 (1) In exercising functions under Part 2 or 3 of this Schedule, a relevant local authority must secure that (as far as is reasonably practicable) the balanced appointment objective is met.

(2) In exercising functions under Part 2 or 3 of this Schedule, the Secretary of State must secure that (as far as is reasonably practicable) the balanced appointment objective is met.

(3) The "balanced appointment objective" referred to in this paragraph is the objective that the appointed members of a police and crime panel (when taken together)—

- (a) represent all parts of the relevant police area;
- (b) represent the political make-up of—
 - (i) the relevant local authority, or

- (ii) the relevant local authorities (when taken together);
- (c) have the skills, knowledge and experience necessary for the police and crime panel to discharge its functions effectively.

31 In co-opting members, a police and crime panel must secure that (as far as is reasonably practicable), the appointed and co-opted members of the panel (when taken together) have the skills, knowledge and experience necessary for the police and crime panel to discharge its functions effectively.

Application of other legislation

32 (1) The Secretary of State may, by regulations—

- (a) modify a relevant enactment in its application to Part 2 panels, or
- (b) provide for a relevant enactment not to apply to Part 2 panels.

(2) The Secretary of State may, by regulations, provide for a relevant enactment to apply (with or without modifications) to Part 3 panels.

(3) In this paragraph—

“Part 2 panels” means police and crime panels established and maintained under Part 2 of this Schedule (which are committees or joint committees of the relevant local authority or authorities);

“Part 3 panels” means police and crime panels established and maintained under Part 3 of this Schedule (which are not committees or joint committees of any local authority);

“relevant enactment” means an enactment which applies to a committee of a local authority or a joint committee of local authorities.

Regulations about notifications

33 The Secretary of State may, by regulations, make provision about notifications to be given by persons in relation to—

- (a) their compliance, or failure to comply, with any duty imposed under this Schedule; or
- (b) their exercise, or failure to exercise, any power conferred under this Schedule.

Regulations about making nominations

34 (1) The Secretary of State may, by regulations, make provision about—

- (a) the making of nominations (including provision about when nominations lapse);
- (b) the notification of nominations (whether to the nominee or any other person); and
- (c) the acceptance and refusal of nominations (including provision about when nominations are to be treated as having been accepted or refused).

(2) In this paragraph “nomination” means a nomination by a relevant local authority or the Secretary of State of a person to be a member of a police and crime panel.

Regulations about making appointments

35 (1) The Secretary of State may, by regulations, make provision about—

- (a) the making of appointments;
- (b) the notification of appointments (whether to the appointee or any other person); and
- (c) the termination of appointments (including provision about when appointments are to be treated as having been terminated).

(2) In this paragraph “appointment” means—

- (a) the appointment by a relevant local authority or the Secretary of State of a person as a member of a police and crime panel, and
- (b) the co-option by a police and crime panel of a person to be a member of the panel.

Regulations about modification etc of functions

36 (1) The Secretary of State may, by regulations, make provision for modifying, suspending, transferring or removing relevant functions insofar as they are exercisable in relation to police and crime panels in respect of which the Secretary of State is, or has been, required to nominate members.

(2) In this paragraph, “relevant functions” means functions conferred on relevant local authorities or the Secretary of State by this Schedule.

Interpretation

37 (1) A reference in this Schedule to a police area which covers a local authority is a reference to a police area whose area is the same as, or includes, all or part of the local authority's area.

(2) The circumstances in which a relevant local authority may be taken, for the purposes of this Schedule, to have failed to nominate or appoint a councillor as a member of a police and crime panel include circumstances where a councillor who is nominated and appointed fails to remain as a member of the panel for such a period as the Secretary of State considers reasonable.

(3) In this Schedule—

“appointed member” means a member of a police and crime panel by virtue of paragraph 4(1)(a) or 13(1)(a);

“co-opted member” means a member of a police and crime panel by virtue of paragraph 4(1)(b) or 13(1)(b);

“councillor”, in relation to local authority, means a person who—

- (a) is a member of the local authority, or
- (b) is the elected mayor of a mayor and cabinet executive (within the meaning of Part 2 of the Local Government Act 2000) of a relevant local authority;

“English police and crime panel” means a police and crime panel for a police area in England;

“local authority” means—

- (a) in relation to England, a county council or a district council;
- (b) in relation to Wales, a county council or a county borough council;

“multi-authority police area” means a police area which covers two or more local authorities;

“panel arrangements” means the arrangements referred to in paragraph 23;

“relevant local authority”, in relation to a police area, means a local authority which the police area covers;

“single-authority police area” means a police area which covers only one local authority;

“Welsh police and crime panel” means a police and crime panel for a police area in Wales.—(Nick Herbert.)

Brought up

Question put. That the schedule be added to the Bill.

The House divided: Ayes 306, Noes 222.

Division No. 244]

[6.1 pm

AYES

Adams, Nigel	Baker, Steve
Alriyie, Adam	Baldwin, Harriett
Aldous, Peter	Barclay, Stephen
Amess, Mr David	Baron, Mr John
Andrew, Stuart	Barwell, Gavin
Arbuthnot, Mr James	Bebb, Guto
Bacon, Mr Richard	Beith, Mr Sir Alan
Baker, Norman	Bellingham, Mr Henry

Berry, Jake
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burt, Alistair
Burt, Lorely
Byles, Dan
Cairns, Alun
Cameron, rh Mr David
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davies, David T. C.
(Monmouth)
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Fox, rh Dr Liam

Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Hunt, rh Mr Jeremy
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor

Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Metcalf, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Munt, Tessa
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark

Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swaine, Mr Desmond
Swinson, Jo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon

Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Mr Shailesh Vara and
Mark Hunter

NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Gordon
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Doran, Mr Frank
Dowd, Jim

Doyle, Gemma
Dromey, Jack
Durkan, Mark
Eagle, Ms Angela
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glendon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Greatrex, Tom
Green, Kate
Greenwood, Lillian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hanson, rh Mr David
Harris, Mr Tom
Havard, Mr Dai
Hendrick, Mark
Hepburn, Mr Stephen
Hermon, Lady
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Eifyn
Love, Mr Andrew
Lucas, Caroline

Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonnell, John
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
Meacher, rh Mr Michael
Meams, Ian
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme (*Livingston*)
Morris, Grahame M.
(*Easington*)
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve

Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Watts, Mr Dave
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Graham Jones and
Mr David Anderson

Question accordingly agreed to.

New schedule 1 added to the Bill.

Schedule 1**POLICE AND CRIME COMMISSIONERS**

Amendments made: 31, page 104, line 13 leave out 'qualified'.

Amendment 32, page 104, line 18, leave out from beginning to 'person' in line 19 and insert

'A person may not be appointed under sub-paragraph (1) to act as chief finance officer unless the'.—(*Nick Herbert.*)

Schedule 2**CHIEF CONSTABLES**

Amendments made: 33, page 106, line 2, leave out 'police and crime commissioner' and insert 'chief constable'.

Amendment 34, page 106, line 18, after 'force's', insert 'civilian'.

Amendment 35, page 106, line 21, after 'force's', insert 'civilian'.

Amendment 36, page 106, line 23, after 'force's', insert 'civilian'.

Amendment 37, page 106, line 24, after 'force's', insert 'civilian'.—(Nick Herbert.)

Schedule 3

MAYOR'S OFFICE FOR POLICING AND CRIME

Amendments made: 38, page 108, line 8, leave out 'qualified'.

Amendment 39, page 108, line 13, leave out subparagraph (2).—(Nick Herbert.)

Schedule 4

COMMISSIONER OF POLICE OF THE METROPOLIS

Amendments made: 40, page 110, line 39, leave out 'a police and crime commissioner' and insert

'the Commissioner of Police of the Metropolis'.

Amendment 135A, page 111, line 5, after 'force's', insert 'civilian'.

Amendment 136, page 111, line 9, after 'force's', insert 'civilian'.

Amendment 137, page 111, line 11, after 'force's', insert 'civilian'.

Amendment 138, page 111, line 14, after 'force's', insert 'civilian'.—(Nick Herbert.)

Schedule 6

POLICE AND CRIME PANELS

Amendment made: 41, page 114, line 29, leave out Schedule 6.—(Nick Herbert.)

Schedule 7

REGULATIONS ABOUT COMPLAINTS AND CONDUCT MATTERS

Amendment made: 42, page 121, line 39, leave out 'these purposes' and insert

'the purposes of subparagraph (6)'.—(Nick Herbert.)

Schedule 11

CRIME AND DISORDER STRATEGIES

Amendments made: 43, page 133, line 24, after 'areas', insert 'in England'.

Amendment 44, page 135, line 7, leave out subsection (7).

Amendment 45, page 135, line 28, after 'commissioner', insert

'for a police area in England'.

Amendment 46, page 135, line 30, leave out 'the police area of the commissioner' and insert 'that police area'.

Amendment 47, page 136, line 2, at end insert ', and

(c) after "section 6 above" insert " , apart from devolved Welsh functions (as defined by section 5(7))." .

Amendment 48, page 136, leave out lines 6 to 17 and insert—

'(a) the body is not satisfied that the responsible authorities for the area are carrying out their functions under section 6 in an effective and efficient manner, and

(b) the body considers it reasonable and proportionate in all the circumstances to require a report.'

Amendment 49, page 136, leave out lines 30 to 32.—(Nick Herbert.)

Schedule 16

POLICE REFORM: MINOR AND CONSEQUENTIAL AMENDMENTS

Amendments made: 50, page 163, line 18, at end insert—

() For subsection (2) substitute—

(2) In issuing a policing plan, the Common Council must have regard to the strategic policing requirement issued under section 37A."

Amendment 51, page 167, line 42, at end insert—

'In section 61 (the Police Negotiating Board for the United Kingdom), in subsection (1)(a), for "authorities" substitute "persons and bodies".'

Amendment 52, page 211, line 5, leave out paragraph 355.—(Nick Herbert.)

Clause 152

RESTRICTION ON ISSUE OF ARREST WARRANTS IN PRIVATE PROSECUTIONS

6.15 pm

Ann Clwyd (Cynon Valley) (Lab): I beg to move amendment 2, page 100, line 10, leave out clause 152.

Mr Speaker: With this it will be convenient to discuss amendment 154, page 100, line 17, at end insert—

'(a) A specialist unit shall be established within the Crown Prosecution Service, reporting to the Director of Public Prosecutions, so as to ensure minimal delay in decisions relating to arrest warrants issued under this section.

(b) A specialist unit shall be established within the Metropolitan Police so as to ensure minimal delay in the issuing of arrest warrants under this section.'

Ann Clwyd: The amendment would remove clause 152. At the outset, I should like to say that whatever one's views on the changes proposed by the clause, it should not be part of the Bill. It is a justice measure in a Home Office Bill, which is already packed. It would be better if the Government had not crow-barred it into the Bill. However, I am glad that we have an opportunity to debate the measure, although we cannot debate it to the extent that other Members and I would have liked.

The Government propose to change the law on the procedure for obtaining an arrest warrant in a private prosecution in a universal jurisdiction case. Such cases are concerned with the gravest crimes against humanity: war crimes, torture, genocide and so on. The Government propose that the consent of the Director of Public Prosecutions should be required before any such arrest warrant can be issued.

My area of interest is human rights, so it is on the human rights implications of the clause that I shall focus. I object to the clause and the Government's proposals because they will undermine the UK's standing on international human rights issues. The current situation in Libya and recent events there and elsewhere in north Africa and the middle east provide a helpful context for

[Ann Clwyd]

the debate. For example, if anyone from Gaddafi's regime—his sons or other senior political and military cohorts—tries to visit the UK at some point in future, they will be affected by this change in the law.

The Prime Minister, the Foreign Secretary and other Ministers have been strong in their condemnation of Gaddafi, in their calls for him to face justice, and in their support for the International Criminal Court investigation. I agree with them. The best place for Gaddafi to end up is in front of a court on an ICC indictment for crimes against humanity. However, the existence of the ICC does not absolve us of responsibility to ensure that those most serious of crimes can be prosecuted within our jurisdiction.

Jeremy Corbyn (Islington North) (Lab): Does my right hon. Friend agree that the current situation is the best one, because it keeps the Government away from allegations of political bias in cases in which arrests are sought for a court in this country? Clause 152 will bring every prosecution into the political orbit, where it certainly should not be.

Ann Clwyd: My hon. Friend hits the nail on the head as usual, and I shall develop that argument in a few minutes.

We still have obligations under the Geneva conventions—they are obligations, and not discretions or permissions—to bring before a court persons suspected of committing the gravest crimes against humanity when we are able to do so. This change in the law will undermine our commitment to those Geneva convention obligations.

Why, then, are the Government seeking to change the law? The Justice Secretary, yesterday, and the Foreign Secretary, last Thursday, set out clearly in replies to questions in the Chamber the reasons why the Government are seeking to do so. The first reason that they gave was that it is too easy to obtain an arrest warrant. They suggested that anyone could turn up on a frivolous pretext, spin a yarn to the court and walk away with an arrest warrant—put a penny in the slot and out comes a warrant! I cannot believe that that argument has carried any weight with anyone at all.

Dr Huppert: I share the right hon. Lady's deep interest in human rights and I absolutely accept her point. May I, however, go back to what she was saying earlier about the arrest process? Does not she accept that a prosecution is more important than an arrest, and that whether or not the clause is passed, the Attorney-General's consent will still be required for a prosecution, making the issue a political one? Are we not having the wrong debate? Should not we be debating the Attorney-General's role in private prosecutions?

Ann Clwyd: That is certainly a subject for future debate. I agree with the hon. Gentleman when he said in Committee:

"I am not persuaded that there is a need for change... I do not think that a sufficiently strong case has been made about why the current system is not working."—[*Official Report, Police Reform and Social Responsibility Public Bill Committee*, 17 February 2011; c. 684.]

I hope that he still holds that view.

Mr Llwyd: On the question of granting a warrant on the basis of flimsy evidence, is the right hon. Lady aware that, according to the Director of Public Prosecutions, there have been only 10 applications in the past 10 years, of which only two were granted?

Ann Clwyd: That was to have been my very next point. It is amazing that in the past 10 years, there have been just two successful applications for arrest warrants, and that they were then either withdrawn or not acted on.

Michael Ellis: Does not that 80% failure rate indicate that people have been making frivolous and vexatious applications? Also, is it not right that proper evidence should be tendered to a court or other authority before the issue of an arrest warrant that could have international ramifications?

Ann Clwyd: Perhaps the hon. Gentleman is not aware of the facts. The fact that there have been 10 applications and that only two were granted means that the judges who currently implement this legislation are absolutely spot on. They do not take frivolous applications—quite the contrary: they are only too careful. They are experienced judges, not ordinary magistrates. The current system works comparatively well, and no one can point to any frivolous applications.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): My right hon. Friend might be aware that a document issued by the Liberal Democrats in June last year stated:

"The issue of the arrest warrant for a war crime is decided only by specialist legally qualified magistrates such as the most senior district judge at Westminster Magistrates' Court. They are well qualified to decide whether the high threshold of evidence, liability and jurisdiction has been met and that no immunity applies... The removal of the right of public prosecution in such cases would have the effect of turning our country into a safe transit point for war criminals, torturers and those guilty of genocide from all over the world."

Ann Clwyd: My right hon. Friend makes a very good point. Indeed, all the human rights organisations, including Amnesty International, Human Rights Watch, Redress and Justice are opposed to this change in the law.

In Committee, the Minister conceded:

"The problem is not that large numbers of warrants are being issued—the Government are aware of only two".—[*Official Report, Police Reform and Social Responsibility Public Bill Committee*, 17 February 2011; c. 682.]

It is incredible that the Government think that that is too many, and that there should be rather fewer. The fact that two arrest warrants have been granted in 10 years should be a matter of concern, not because it is too many but because it is too few.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): I agree with my right hon. Friend that war crimes and crimes against humanity are horrific, but does she really think it just that an arrest warrant was issued against Tzipi Livni who was here seriously to negotiate peace between Israelis and Palestinians and to save lives?

Ann Clwyd: Well, the other reason the Government gave for the change in the law is, I suppose, the real reason, in respect of which my hon. Friend has hit the nail on the head: it is the Tzipi Livni case. The Government,

as the Foreign Secretary and the Justice Secretary explained, are changing the law because of an Israeli politician. Changing the law at the request of a foreign Government does not, I would argue, enhance our ability to act as an international peace broker. It does exactly the opposite by undermining our credibility to speak as a country that takes human rights seriously.

Mr Andrew Love (Edmonton) (Lab/Co-op): Is it not incongruous that at the same time as we continue to speak here about human rights, justice and democracy in the middle east, we also have to move this particular amendment?

Ann Clwyd: Indeed. I think it sends the wrong signal at this particular time. I hope I can persuade many more hon. Members of the force of my argument.

In today's *The Guardian* online, there is an article, stating that coalition criminal justice plans

"make a mockery of universal jurisdiction".

It continues:

"Giving suspects from 'protected countries' immunity from war crimes arrests would turn the UK into a safe haven for suspects".

That was written by an eminent human rights lawyer, Daniel Machower. He goes on to say:

"A legal case for changing the current judicial process, through the senior district judge, has not been made out and parliament is entitled to reject the proposed change on that basis alone."

I have my own views on the Tzipi Livni case. I happen to regard the crimes documented in the Goldstone report as pretty damning. The very strength of the current system, however, is that it does not matter what my view is: it is a decision taken by a court without political considerations and on the basis of the evidence alone. That is the system that the Government are going to undermine.

Mr Offord: The right hon. Lady claims that accusations against an individual are mentioned in the Goldstone report, but she also talks about people having immunity in this country. What evidential basis does she have for presuming to believe that to be true?

Ann Clwyd: I do not know what the hon. Gentleman is talking about—and I doubt whether he does either.

The Opposition Front-Bench team has tabled an amendment proposing to create new units in the Crown Prosecution Service and the Metropolitan police. As the Minister observed in Committee, however, these units already exist for war crimes investigations. The fact that they already exist, and have done for some time, helps to show us what will happen when the Director of Public Prosecutions becomes a gatekeeper for all universal jurisdiction cases: nothing. Yes, nothing will happen. As we learned from a report in *The Guardian* last month and the work of the all-party group on the prevention of genocide, nearly 400 war criminals are believed to be in the UK right now—from Iraq, Afghanistan, Sri Lanka, Rwanda, Zimbabwe and the Congo. How many prosecutions have there been? One—just one, which is the Zardad case.

I conclude here because this is the core of my case. The clause is important because it communicates our attitude towards crimes against humanity and towards international justice.

Glenda Jackson (Hampstead and Kilburn) (Lab): Will my right hon. Friend allow me to intervene?

Ann Clwyd: I am concluding; I am sorry.

It is already too hard to try to bring war criminals to justice. Sadly, there are already too few prosecutions. Let us not make it even harder.

Michael Ellis: It might be useful to inject some legal realism into the debate. At present the law in England and Wales provides for no real evidential threshold, and contains no requirement for a prosecutor to check the credibility of a claim before an arrest warrant is issued. In other words, all that is required is for an individual to go into a police station or the equivalent and make an allegation. That allegation amounts to a *prima facie* case: the establishment of a *prima facie* case is the smallest burden that must be borne. Attention-seeking lawyers and campaign groups are being given an opportunity to use the arrest warrant process as a campaign tool. To describe it as providing immunity from prosecution is completely wrong in law, in fact and in degree, and if newspapers have described it thus they are simply wrong.

6.30 pm

Dr Huppert: I had much experience of disagreeing with the hon. Gentleman on this matter when the Bill was in Committee. I am now trying to understand how he squares what he is saying with what is actually happening. As we have heard, eight of the mere 10 applications that have been made in 10 years were rejected by the district judge, so the threshold is clearly higher than he is suggesting. Moreover, the clause does nothing about the process of applying for an arrest warrant. People could still apply for one; there would just be a delay before it could be granted.

Michael Ellis: I have a feeling that any Member of Parliament who was subject to the arrest warrant would not be so cavalier as to consider that one or two instances were nothing to worry about. We ought to have a system that applies fairly across the board.

According to a case study, in March last year the former Vice-President of Bosnia, Ejup Ganic, was arrested at Heathrow airport after Serbian judicial authorities issued an extradition warrant. He was accused of conspiracy to murder 40 Yugoslav People's Army soldiers in an attack in May 1992. He was subsequently released on bail when the judge remarked that the arrest warrant issued by Serbia had been politically motivated. It was reported that Serbia had yet to produce any real evidence, and that most of its supposed evidence consisted of news articles about the incident. City of Westminster magistrates court blocked Ganic's extradition in July last year. The presiding judge—who, as was pointed out by the right hon. Member for Manchester, Gorton (Sir Gerald Kaufman), had considerable experience—said that he had been led to believe that the extradition proceedings were

"brought and being used for political purposes, and as such amount to an abuse of the process of this court"

[Michael Ellis]

Having worked in the criminal justice system for 17 years, I am concerned about the way in which the English legal system is perceived abroad, and the ramifications of some of the incidents that have occurred. For generations, the United Kingdom has been at the forefront of peace conferences and other such meetings. The very recent meeting to discuss Libya is a classic example. Circumstances in which people were fearful of entering this country because an extremely low threshold might result in their arrest would be injurious not only to the reputation of the United Kingdom's legal system, but to the UK's overall reputation for being a place where peace can be sought and arrangements can be made across the negotiating table. It is not in the interests of world order and international peace for obstructions to be placed in the way of people wishing to enter this country in the way that they have been doing. That does not, of course, apply to only one country; there are several other examples.

Mark Durkan (Foyle) (SDLP): Does the hon. Gentleman not accept that the example he gave has nothing to do with private prosecutions being pursued in relation to universal jurisdiction, as it was an extradition matter? Does he not also accept that the court had a very serious threshold and made a very serious judgment, so the process clearly could not be abused for political purposes?

Michael Ellis: It is important to remember that there is the issue of fear of arrest, as well as arrest itself. If someone were to say to anyone in this House, "There's a prospect of your being arrested should you enter the United States, or France," they would think very carefully before entering those countries, even if they knew there were no grounds for any allegations and they were entirely innocent. They would not put themselves through the hassle.

Mark Durkan: Can the hon. Gentleman therefore tell us how this clause removes that fear? What signal will people have that the Director of Public Prosecutions would not entertain any such warrant?

Michael Ellis: There seems to be a fear, including in apparently authoritative newspapers, that the provision will grant immunity from prosecution, but all it does is raise the test to the same level as for prosecutions that occur by the thousands per week in this country. Whenever there is an allegation against an individual—whether for murder, shoplifting or anything in between—the Crown Prosecution Service has to consider two tests: whether it is in the public interest to proceed, and whether there is a realistic prospect of conviction. No one suggests that the need to consider whether there is a realistic prospect of conviction in those contexts in effect means immunity from prosecution for everybody, and that is all that will be applying here.

Dr Huppert: This brings us on to what I consider to be an important point. Shortly after an arrest, the Attorney-General has to engage with deciding whether to continue with the private prosecution; that is one of the weaknesses of the private prosecution system. Does the hon. Gentleman think that one way in which this

clause might help with prosecutions is that it would be hard for the Attorney-General to overturn a decision by the Director of Public Prosecutions, because he could not come up with the claim about the relevant person being just a magistrate? In fact the Attorney-General might find that he was in a weaker position, and it would be easier to proceed with a prosecution.

Michael Ellis: I am not concerned, as my hon. Friend appears to be, about the Attorney-General, because safeguards are built into our system in this country. The Attorney-General has been in a position similar to that envisaged in the Bill for decades, and there is no evidence whatever that that has been a problem in other areas. There are prosecutions in this country that can take place only with the consent of the Attorney-General, and there are other prosecutions that can take place only with the consent of the DPP—I myself have been involved in one or two of them—but no one is suggesting that those cases involve political interference. The reality is that we have to have safeguards against the misuse of a process that has increasingly been employed in highly controversial circumstances and has deeply injurious effects on international relations and British relations. As I have already enunciated, my primary concern is to maintain the good standing of the English legal system.

Jeremy Corbyn: The hon. Gentleman is deeply confusing me; I hope he did not confuse the courts in the same way when he was practising. We are trying to ensure that people against whom there is prima facie evidence of war crimes or crimes against humanity could be subject to an arrest warrant in this country. The opposite of that is that they would be welcome in this country. I am sure that is not the hon. Gentleman's intention, but it is beginning to sound a bit like it.

Michael Ellis: Of course it is not my intention that war criminals be welcomed to this country. They would be welcome to be prosecuted in this country, and I would support that. The reality is very different, however, and we must ensure that only appropriate people in appropriate circumstances are subject to the heavy penalty of arrest.

Mike Wood (Batley and Spen) (Lab): The hon. Gentleman said that this provision had been increasingly used—10 times in the past 10 years—but what evidence has he got to suggest that that is the case?

Michael Ellis: As I have said, there are several offences that are rarely used, but whose presence on the statute book is in itself damaging. Many would argue that although the 42-days provision was hardly ever used, its presence on the statute book would not be uncontroversial. During the 13 years of the Labour Government some 3,000 new criminal offences were created, dozens of which have never been prosecuted yet remain on the statute book. The principle is that one ought to be interested in justice for every individual, rather than having no justice for a handful and thinking that because only a handful are being subjected to injustice we should not worry about it.

Mike Wood: Is the hon. Gentleman agreeing that this provision has not been increasingly used? If so, does he wish to retract what he has just said? Either it has been

increasingly used or it has not. He said that it has been used 10 times in 10 years, but what was the incidence in the previous 10 years? If he cannot produce that evidence, or if the evidence suggests that this provision has not been increasingly used, perhaps he should withdraw what he has just said.

Michael Ellis: That is a matter of personal opinion. As I have indicated, one would have to make a comparison with the previous 10 years. The universal jurisdiction law is a common law matter and has, therefore, presumably been available for decades. If it has been used only 10 times in the past 10 years, one would have to go back to see what happened during the previous 10 years. Perhaps one would discover that during that period it had never been used once. If that is the case, it has been increasingly used; I would just posit that.

I am conscious of the fact that other hon. Members would like to speak, so may I conclude by saying that Canada is not considered to be a country that is in any way permissive towards war crimes, yet it has adopted a tack similar to the proposed British solution? Although boasting a very broad piece of legislation implementing universal jurisdiction, Canada's law requires that all claims based on universal jurisdiction first be personally approved by its Attorney-General or deputy Attorney-General before they can be introduced in any court. So I would posit that to Labour Members, and say that if Canada has done this and is doing it—

Yasmin Qureshi (Bolton South East) (Lab) rose—

Michael Ellis: I am going to finish now. If Canada has done this and is doing it, I see no reason why England and Wales should not do it as well.

Vernon Coaker: I start by saying that we support the Government on the clause. It is strangely placed in this Bill, as it deals with a foreign policy and justice issue, but our foreign policy team has made its support clear. The provision is essential to maintain universal jurisdiction: it allows for the prosecution of war crimes and crimes against humanity anywhere in the world. We also support continuing with private prosecutions.

We do not believe that there should be any weakening in the standards for and likelihood of prosecution, as that would be completely wrong. However, there is a difference between the standards and procedures for arrest and the standards and procedures for prosecution. For prosecution, a higher standard of proof and the agreement of the Attorney-General are needed, whereas for arrest they are not. That means that there could be cases where people are arrested but there is no likelihood of prosecution, because the evidence is not there and the Attorney-General will not give agreement, perhaps because of campaigning on international issues in this country. We do not believe that that is appropriate, especially if it deters people from coming to Britain for purposes associated with diplomacy or peace. So it is essential to make the change that the Government propose, which would bring arrest better into line with prosecution but would not affect the chances of a prosecution. However, if the Director of Public Prosecutions is to take these decisions, he will need to do so swiftly. Justice must not be denied by being delayed.

Mr Love: Is my hon. Friend not concerned about this? We have been told that the DPP will consult the Attorney-General, who can, of course, consult his Cabinet colleagues, but all that will take place behind closed doors. Is there not a real case to answer about the politicisation of the process?

6.45 pm

Vernon Coaker: That would have been a real danger with the initial proposal concerning the Attorney-General—my hon. Friend is right to highlight that concern—but when the DPP gave evidence to the Public Bill Committee he was very clear about the thresholds that he would use and the way in which he would conduct his business. My hon. Friend is right to raise this issue, but the moving of responsibility for this area from the Attorney-General to the DPP is a significant step forward.

Mr Love: The core of this matter is that the DPP will consult the Attorney-General about the public interest test, and that will be the subject of debate, not the standard of evidence that is available. I return to the same question. As that process will take place behind closed doors, is my hon. Friend not concerned about the politicisation of the process?

Vernon Coaker: The point that I am making is that the DPP's involvement is to prevent that politicisation, and I was reassured by what he said when he gave evidence to the Committee.

Jeremy Corbyn: I am disappointed in the shadow Minister's line of argument, because on the question of arraigning someone for crimes against humanity or war crimes, he appears to be saying that there has to be a foreign policy consideration. Surely the decision whether to grant an arrest warrant should be made solely on an evidential basis within international law. It should not be about the perceptions or otherwise of this country, or any other, about foreign policy.

Vernon Coaker: I know that my hon. Friend feels strongly about this, but we are supporting the amendment because this is not only about arrest but about securing prosecution and increasing the likelihood that people can be prosecuted. That is why we support what the Government propose, now that the DPP is involved:

Mr Offord: I am sure that the shadow Minister will recall the DPP's evidence to the Committee. He said:

"We have people who can work around the clock and... enough trained people so that someone is always available."—[*Official Report, Police Reform and Social Responsibility Public Bill Committee*, 20 January 2011; c. 126, Q241.]

That would prevent anyone from fleeing justice in this country.

Vernon Coaker: That is one reason why I said that if the DPP is to take decisions he will need to do so swiftly. As I have said, justice must not be denied by being delayed. We believe that the Crown Prosecution Service and the Metropolitan police should play a strong role, as they have in the past, and must not be hit by the cuts. That is why we tabled amendment 154—to ensure that there is no delay and that wherever possible things are

[Vernon Coaker]

dealt with as speedily as possible so that the arrest warrant is granted where appropriate, and we can secure a prosecution.

Dr Huppert: I shall try to be brief because a number of hon. Members wish to speak. I have written an article today for "Liberal Democrat Voice" if anyone wants my comments in full—I am sure that hon. Members read it frequently. [Interruption.] There is only one version—unlike what happens with the Labour party, whose members seem to give different messages from the back, the front and the side.

I want to talk about how the system would work, and I urge hon. Members to look at the transcript of the DPP's evidence to the Public Bill Committee, which was very detailed and very reassuring for those of us who want to make sure that prosecutions go ahead. He made it clear that a team was available, as has just been mentioned, and that it would be ready to act. He understood the issue of timeliness and advanced the idea of using a lower threshold test when there is not enough time to gather evidence. Importantly, he also offered to look in advance at evidence about people who we know should be prosecuted, so as to be ready to go at very short notice—to update what would be required and to be able to go ahead. I was very encouraged by that.

Mr Michael McCann (East Kilbride, Strathaven and Lesmahagow) (Lab): I am the chair of the all-party group for the prevention of genocide and crimes against humanity. My right hon. Friend the Member for Cynon Valley (Ann Clwyd) has made the point that there are more than 400 war criminals in Britain, but is the hon. Member for Cambridge (Dr Huppert) aware that only 29 of them are being pursued by SO15? Does that not demonstrate that we have to separate the wheat from the chaff? Clause 152 will do that: it will get right to the heart of the matter and ensure that we have the evidence base to ensure that war criminals are prosecuted.

Dr Huppert: The role of the police is important. Private prosecutions are the wrong way to go about dealing with such people. If a private prosecution has to be used the state has failed to go ahead—but I would like to see it do so. Private prosecutions are an essential safeguard where the state has failed.

Yasmin Qureshi *rose*—

Dr Huppert: I shall give way once more, but then I want to conclude and allow other hon. Members to speak.

Yasmin Qureshi: Does the hon. Gentleman not accept that the provision has been introduced because of the arrest of one individual? We are changing centuries of our law and tradition for the sake of one person.

Dr Huppert: My position was well summarised by an Opposition Member who spoke earlier. It is a shame that there has been a conflation of two separate issues—one about Israel-Palestine and the whole sordid tale there, and the other a legal debate about what the system ought to be. I wish it were possible to have that discussion.

The DPP made it clear that he would talk to the Attorney-General, but he said five or six times that there would have to be a very powerful weight in favour of prosecuting, because the crime is one of universal jurisdiction. The public interest would have to be overwhelming. I take comfort from that, because I am concerned that at present the Attorney-General can stop any process going ahead. We do not have a functioning private prosecution system in this country, because the Attorney-General can stop any such prosecutions at any stage. Including the DPP in the provision would make it harder for the Attorney-General to do that, because straight after the DPP—a recognised independent person—said, "Yes, there is a case. This person can be prosecuted," the Attorney-General would be faced with the prospect of saying, "Actually the DPP is wrong. He doesn't understand this," and trying to end it.

The provision makes prosecutions easier, and it is prosecutions that I am concerned about. I should like to hear more about how the Government will make sure that the police take stronger action. I should like to hear whether they agree with recommendations from the Joint Committee on Human Rights, on which I serve, that would weaken the role of Attorney-General in terminating private prosecutions. My remaining concern is about the fact that the DPP may decide not to go ahead because the evidence is too weak. If that is genuinely the case, I do not think that any of us would have a problem with it. However, what worries me are cases in which the DPP does not get round to making a decision because there is a pocket veto. I should like an assurance from the Minister that the Government will report on such cases. If there are a large number of them in which a pocket veto is exercised and no proper decision is made, I hope that the Government will look at the matter again and make sure that there is due process.

Mr Deputy Speaker (Mr Lindsay Hoyle): There are two minutes remaining, as I will call the Minister at 6.54 pm.

Sir Gerald Kaufman: We heard one Liberal Democrat voice. May I, in the remaining two minutes, quote the Liberal Democrat document which I have already quoted with regard to Tzipi Livni, who has been mentioned? It says:

"Tzipi Livni, as Israeli Foreign Minister, was one of those responsible for authorising these attacks"—

on Gaza, which deliberately targeted civilians and civilian infrastructure—

"and made public statements that appeared to encourage the Israeli military to use disproportionate force and engage in deliberate destruction with no legitimate military objective."

Dr Huppert *rose*—

Sir Gerald Kaufman: I will not give way, because I have only two minutes.

That is the person whom this lot are trying to acquit of the right even to be prosecuted, and even the issuing of a warrant against her. Her parents were terrorists who murdered great numbers of people. She was an Israeli spy in Paris when the Israelis were murdering people all over Europe and were changing the law to suit this war criminal.

Nick Herbert: The purpose of clause 152 is to require the consent of the Director of Public Prosecutions before an arrest warrant for war crimes under the Geneva Conventions Act 1957, and for the few other offences over which the United Kingdom has asserted universal jurisdiction, can be issued on the application of a private prosecutor.

Much of the criticism directed at this provision seems to assume that it will end the right of private prosecution for universal jurisdiction cases—a point that appeared to be made by the right hon. Member for Manchester, Gorton (Sir Gerald Kaufman) in his brief speech—and, by extension, that it will damage the principle of universal jurisdiction itself. I emphasise that this is simply not the case. Of course the provision has no effect at all on the ability of the police to investigate, and of the Crown Prosecution Service to prosecute, alleged offences of universal jurisdiction, but we think it is right that citizens should be able to prosecute these cases, grave as they are. That is why, under our proposal, anyone will still be able to apply to a court to initiate a private prosecution of universal jurisdiction offences by issuing an arrest warrant, where appropriate.

Our approach, therefore, differs from that proposed by the previous Government, which removed the right to private prosecution of offences alleged to have been committed by a foreign national on foreign soil.

Mr McCann: Does the Minister agree that that will prevent the silliness of people like two arch-atheists trying to bring charges against Pope Benedict when he was making an official state visit to this country?

Nick Herbert: I will deal with some of these points as I go on.

All that the provision will do is prevent a warrant being issued in cases where there is no realistic prospect of a viable prosecution taking place. It would not, as the right hon. Member for Cynon Valley (Ann Clwyd) claimed when she moved her amendment, give immunity to war criminals. That is not the case.

It has been argued that the consent requirement will lead to delay and allow someone who ought to be prosecuted to leave the country. That is the force of amendment 154. That is a serious point, which the Director of Public Prosecutions addressed when he gave evidence to the Public Bill Committee. I urge those hon. Members who are concerned about the provision to read, if they have not done so already, the DPP's evidence to the Public Bill Committee, which I believe will give them a great deal of reassurance as to how he would approach the matter.

The DPP is well aware that speed is important in dealing with such applications. He explained that the Crown Prosecution Service has suitably trained staff available around the clock, and they stand ready to act immediately in emergency cases. He also had helpful advice for anyone who wants to pursue a crime of universal jurisdiction, which is that they should not wait until the suspect has arrived here, but should engage early with the CPS. He said that they

"should come to us"—

that is, the CPS—

"with whatever evidence they have, and we will undertake to look at it and to advise."

It has also been argued, and we have heard this evening, that there is a risk of political interference, given the likelihood that the DPP would consult the Attorney-General.

Yasmin Qureshi rose—

Nick Herbert: If the hon. Lady will forgive me, I will not give way; time is short.

I raised such a risk in questioning the DPP, but he made it clear in his evidence that

"the decision is the decision of the Director of Public Prosecutions, taken independently."

He added that consultation between the DPP and the Attorney-General, which is regular,

"acts as no inhibition on the independence that I would bring to the decision. At the end of the day, the decision is mine, it is independent and it is reviewable."—[*Official Report, Police Reform and Social Responsibility Public Bill Committee*, 20 January 2011; c. 124-130.]

As my hon. Friend the Member for Cambridge (Dr Huppert) pointed out, the DPP also said that there are powerful public interest reasons to prosecute in a case that has satisfied the evidential threshold.

The necessity for the provision has been questioned on two grounds. It is said that the sort of people whom it is designed to safeguard are already covered by immunity. Although this is true of some of the visitors against whom arrest warrants have been sought in the past, it is not true of all. Immunity from criminal jurisdiction applies to certain Ministers, and warrants have been sought against Ministers not covered and those who are not Ministers at all.

John Woodcock (Barrow and Furness) (Lab/Co-op): Will the Minister give way?

Nick Herbert: I am sorry. I do not have time.

It is said, too, that few warrants have been issued in universal jurisdiction cases, but the problem lies in the perception that a person who is not a British citizen, does not live here, and indeed has no connection with this country apart from being present here, might be at risk of arrest for a very grave crime where there is no prospect of a viable prosecution. That such an occurrence is rare misses the point. The fact is that people who are, or have been, in leading positions in their countries, with whom the Government would wish to engage in discussions, may be discouraged from coming here. That is our concern. That, in turn, creates a risk of damaging our ability to help in conflict resolution or interfere with foreign policy.

Amendment 154 would require special units to be set up in the police and the CPS. The responsibility for investigating universal jurisdiction cases lies with a specialist unit of the Metropolitan police. That unit has the specialist skills and expertise required to conduct those cases, or to decide that an investigation in this jurisdiction is not warranted or feasible. The unit is best placed to evaluate the prospects of being able to protect witnesses or secure their evidence at any trial, identify an individual responsible for the particular conduct to the criminal standard, and deal—

7 pm

*Debate interrupted (Programme Order, this day).**The Deputy Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E). That the amendment be made.**The House proceeded to a Division.***Mr Deputy Speaker (Mr Lindsay Hoyle):** I ask the Serjeant at Arms to investigate the delay in the No Lobby.*The House having divided: Ayes 37, Noes 480.***Division No. 245]****[7 pm****AYES**

Allen, Mr Graham
Bailey, Mr Adrian
Betts, Mr Clive
Campbell, Mr Ronnie
Caton, Martin
Clwyd, rh Ann
Cruddas, Jon
Cryer, John
Danczuk, Simon
Dobbin, Jim
Dobson, rh Frank
Dowd, Jim
Durkan, Mark
Edwards, Jonathan
Field, rh Mr Frank
Flynn, Paul
Glendon, Mrs Mary
Hendrick, Mark
Hoey, Kate
Hood, Mr Jim

Hopkins, Kelvin
Jackson, Glenda
Kaufman, rh Sir Gerald
Lammy, rh Mr David
Llwyd, rh Mr Elyn
Love, Mr Andrew
Lucas, Caroline
McDonnell, John
Mudie, Mr George
Osborne, Sandra
Owen, Albert
Qureshi, Yasmin
Skinner, Mr Dennis
Smith, rh Mr Andrew
Smith, Nick
Winnick, Mr David
Wood, Mike

Tellers for the Ayes:
Hywel Williams and
Jeremy Corbyn

NOES

Abbott, Ms Diane
Abrahams, Debbie
Adams, Nigel
Afriyie, Adam
Ainsworth, rh Mr Bob
Aldous, Peter
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Amess, Mr David
Anderson, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bailey, Mr Adrian
Bain, Mr William
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Balls, rh Ed
Banks, Gordon
Barclay, Stephen
Baron, Mr John
Barron, rh Mr Kevin
Barwell, Gavin
Bebb, Guto
Beckett, rh Margaret
Begg, Dame Anne
Beith, rh Sir Alan

Bellingham, Mr Henry
Benn, rh Hilary
Berger, Luciana
Berry, Jake
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Bleas, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Bradshaw, rh Mr Ben
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Brennan, Kevin
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brown, rh Mr Gordon
Brown, rh Mr Nicholas
Brown, Mr Russell
Bruce, Fiona
Bruce, rh Malcolm

Bryant, Chris
Buck, Ms Karen
Buckland, Mr Robert
Burley, Mr Aidan
Burnham, rh Andy
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burt, Alistair
Burt, Lorely
Byles, Dan
Byrne, rh Mr Liam
Cable, rh Vince
Cairns, Alun
Campbell, Mr Alan
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chapman, Mrs Jenny
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clarke, rh Mr Tom
Clifton-Brown, Geoffrey
Coaker, Vernon
Coffey, Ann
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Cooper, Rosie
Cooper, rh Yvette
Cox, Mr Geoffrey
Crabb, Stephen
Crausby, Mr David
Creasy, Stella
Crouch, Tracey
Cunningham, Alex
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Davey, Mr Edward
David, Mr Wayne
Davidson, Mr Ian
Davies, David T. C.
(Monmouth)
Davies, Geraint
Davis, rh Mr David
de Bois, Nick
De Piero, Gloria
Dinenage, Caroline
Djanogly, Mr Jonathan
Docherty, Thomas
Dodds, rh Mr Nigel
Doran, Mr Frank
Dorrell, rh Mr Stephen
Dornes, Nadine
Doyle, Gemma
Doyle-Price, Jackie
Drax, Richard
Dromey, Jack
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Eagle, Ms Angela
Efford, Clive
Elliott, Julie
Ellis, Michael
Ellison, Jane

Elman, Mrs Louise
Ellwood, Mr Tobias
Elphicke, Charlie
Engel, Natascha
Eustice, George
Evans, Chris
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farrelly, Paul
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Ffello, Robert
Flint, rh Caroline
Foster, rh Mr Don
Fovargue, Yvonne
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Gapes, Mike
Garner, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Glass, Pat
Glen, John
Godsiff, Mr Roger
Goggins, rh Paul
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Green, Kate
Greening, Justine
Greenwood, Lillian
Grieve, rh Mr Dominic
Griffith, Nia
Griffiths, Andrew
Gummer, Ben
Gwynne, Andrew
Gyimah, Mr Sam
Hague, rh Mr William
Hain, rh Mr Peter
Haffon, Robert
Hamilton, Mr David
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Hanson, rh Mr David
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Harris, Mr Tom
Hart, Simon
Harvey, Nick
Hasehurst, rh Sir Alan
Havard, Mr Dai
Hayes, Mr John
Heath, Mr David
Heaton-Harris, Chris

Hemming, John
Henderson, Gordon
Hendrick, Mark
Hepburn, Mr Stephen
Herbert, rh Nick
Heyes, David
Hiller, Meg
Hilling, Julie
Hinds, Darshan
Hoban, Mr Mark
Hodgson, Mrs Sharon
Hollingbery, George
Holtobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kns
Howell, John
Hughes, rh Simon
Huppert, Dr Julian
Hurd, Mr Nick
Iranica-Davies, Huw
Jackson, Mr Stewart
James, Margot
Jarvis, Dan
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Diana
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Mr Marcus
Jones, Susan Eilan
Joyce, Eric
Keelley, Barbara
Kelly, Chris
Kendall, Liz
Kennedy, rh Mr Charles
Khan, rh Sadiq
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Lavery, Ian
Laws, rh Mr David
Lazarowicz, Mark
Lee, Jessica
Lee, Dr Philip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Leslie, Chris
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lloyd, Tony
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lucas, Ian
Luff, Peter
Lumley, Karen
Macleod, Mary

MacLaggart, Fiona
Mahmood, Shabana
Main, Mrs Anne
Mann, John
Marsden, Mr Gordon
May, rh Mrs Theresa
Maynard, Paul
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McCartney, Jason
McCartney, Karl
McClymont, Gregg
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McIntosh, Miss Anne
McKechin, Ann
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Meale, Mr Alan
Mearns, Ian
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Millband, rh David
Millband, rh Edward
Miller, Andrew
Miller, Maria
Mills, Nigel
Millon, Anne
Mitchell, Austin
Moon, Mrs Madeleine
Moore, rh Michael
Mordaunt, Penny
Morden, Jessica
Morgan, Nicky
Morrice, Graeme (*Livingston*)
Morris, Anne Marie
Morris, David
Morris, Graeme M.
(*Easington*)
Morris, James
Mosley, Stephen
Mowat, David
Munn, Meg
Munt, Tessa
Murphy, rh Mr Jim
Murray, Ian
Murrison, Dr Andrew
Nash, Pamela
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollershaw, Eric
Onwurah, Chi
Opperman, Guy
Ottaway, Richard
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Pearce, Teresa
Penning, Mike
Penrose, John

Percy, Andrew
Perkins, Toby
Perry, Claire
Phillips, Stephen
Phillipson, Bridget
Pickles, rh Mr Eric
Poulter, Dr Daniel
Pound, Stephen
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Raynsford, rh Mr Nick
Reckless, Mark
Redwood, rh Mr John
Reed, Mr Jamie
Rees-Mogg, Jacob
Reevell, Simon
Reeves, Rachel
Reid, Mr Alan
Reynolds, Emma
Reynolds, Jonathan
Robertson, John
Robertson, Mr Laurence
Robinson, Mr Geoffrey
Rogerson, Dan
Rosindell, Andrew
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Rudd, Amber
Ruddock, rh Joan
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Seabeck, Alison
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Sharma, Mr Virendra
Sheerman, Mr Barry
Shelbrooke, Alec
Sheridan, Jim
Shuker, Gavin
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Angela
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Nick
Smith, Owen
Smith, Sir Robert
Spellar, rh Mr John
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stringer, Graham
Stuart, Ms Gisela

Stunell, Andrew
Sturdy, Julian
Sutcliffe, Mr Gerry
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Syms, Mr Robert
Tami, Mark
Tapsell, Sir Peter
Teather, Sarah
Thomas, Mr Gareth
Thornberry, Emily
Thurso, John
Timms, rh Stephen
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Trickett, Jon
Truss, Elizabeth
Turner, Mr Andrew
Turner, Karl
Twigg, Derek
Tyrie, Mr Andrew
Umunna, Mr Chuka
Uppal, Paul
Vaizey, Mr Edward
Vaz, Valerie
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walley, Joan
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Watson, Mr Tom
Watts, Mr Dave
Weatherley, Mike
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wicks, rh Malcolm
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Chris
Williamson, Gavin
Willott, Jenny
Wilson, Phil
Wilson, Mr Rob
Winterton, rh Ms Rosie
Wollaston, Dr Sarah
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mr Shailesh Vara and
Mark Hunter

Question accordingly negatived.

The Deputy Speaker then put forthwith the Question necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Amendment proposed: 154, page 100, line 17, at end insert—

(a) A specialist unit shall be established within the Crown Prosecution Service, reporting to the Director of Public Prosecutions, so as to ensure minimal delay in decisions relating to arrest warrants issued under this section.

(b) A specialist unit shall be established within the Metropolitan Police so as to ensure minimal delay in the issuing of arrest warrants under this section.—
(Vernon Coaker.)

Question put, That the amendment be made.

The House divided: Ayes 179, Noes 297.

Division No. 246]

[7.16 pm

AYES

Abbott, Ms Diane	Dobbin, Jim
Abrahams, Debbie	Docherty, Thomas
Ainsworth, rh Mr Bob	Doran, Mr Frank
Alexander, rh Mr Douglas	Dowd, Jim
Alexander, Heidi	Doyle, Gemma
Ali, Rushanara	Eagle, Ms Angela
Allen, Mr Graham	Efford, Clive
Anderson, Mr David	Elliott, Julie
Bailey, Mr Adrian	Ellman, Mrs Louise
Bain, Mr William	Engel, Natascha
Balls, rh Ed	Evans, Chris
Banks, Gordon	Farrelly, Paul
Barron, rh Mr Kevin	Fello, Robert
Begg, Dame Anne	Flint, rh Caroline
Benn, rh Hilary	Flynn, Paul
Berger, Luciana	Fovargue, Yvonne
Betts, Mr Clive	Gapes, Mike
Blenkinsop, Tom	Gilmore, Sheila
Blomfield, Paul	Glass, Pat
Bradshaw, rh Mr Ben	Godsiff, Mr Roger
Brennan, Kevin	Goggins, rh Paul
Brown, rh Mr Nicholas	Green, Kate
Brown, Mr Russell	Griffith, Nia
Bryant, Chris	Gwynne, Andrew
Burnham, rh Andy	Hain, rh Mr Peter
Byrne, rh Mr Liam	Hamilton, Mr David
Campbell, Mr Alan	Hanson, rh Mr David
Campbell, Mr Ronnie	Harris, Mr Tom
Caton, Martin	Havard, Mr Dai
Chapman, Mrs Jenny	Hendrick, Mark
Clarke, rh Mr Tom	Hepburn, Mr Stephen
Coaker, Vernon	Heyes, David
Cooper, Rosie	Hillier, Meg
Cooper, rh Yvette	Hilling, Julie
Crausby, Mr David	Hodgson, Mrs Sharon
Creasy, Stella	Hopkins, Kelvin
Cryer, John	Irranca-Davies, Huw
Cunningham, Alex	Jackson, Glenda
Cunningham, Tony	Jarvis, Dan
Curran, Margaret	Johnson, Diana
Dakin, Nic	Jones, Helen
Danczuk, Simon	Jones, Mr Kevan
David, Mr Wayne	Jones, Susan Elan
Davidson, Mr Ian	Joyce, Eric
Davies, Geraint	Kaufman, rh Sir Gerald
De Piero, Gloria	Keeley, Barbara

Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lloyd, Tony
Love, Mr Andrew
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme (Livingston)
Morris, Grahame M.
(Easington)
Munn, Meg
Murphy, rh Mr Jim
Murray, Ian
Nash, Pamela
Onwurah, Chi
Osborne, Sandra
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Raynsford, rh Mr Nick
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan

Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Smith, rh Mr Andrew
Smith, Angela
Smith, Owen
Spelliar, rh Mr John
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thomberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Watts, Mr Dave
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Ayes:

Lilian Greenwood and
Graham Jones

NOES

Adams, Nigel	Bone, Mr Peter
Afriye, Adam	Bradley, Karen
Aldous, Peter	Brady, Mr Graham
Amess, Mr David	Brake, Tom
Andrew, Stuart	Bray, Angie
Arbuthnot, rh Mr James	Brazier, Mr Julian
Bacon, Mr Richard	Brine, Mr Steve
Baker, Norman	Brokenshire, James
Baker, Steve	Brooke, Annette
Baldry, Tony	Bruce, Fiona
Baldwin, Harriett	Bruce, rh Malcolm
Barclay, Stephen	Buckland, Mr Robert
Baron, Mr John	Burley, Mr Aidan
Barwell, Gavin	Burns, Conor
Bebb, Guto	Burns, rh Mr Simon
Beith, rh Sir Alan	Burrowes, Mr David
Bellingham, Mr Henry	Burt, Alistair
Berry, Jake	Burt, Lorely
Binley, Mr Brian	Byles, Dan
Blackman, Bob	Cable, rh Vince
Blackwood, Nicola	Cairns, Alun
Blunt, Mr Crispin	Campbell, rh Sir Menzies
Boles, Nick	Carmichael, rh Mr Alistair

Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C.
(Monmouth)
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike

Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howell, John
Hughes, rh Simon
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria

Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Munt, Tessa
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Oilerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Randall, rh Mr John
Reckless, Mark
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith

Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stunell, Andrew
Sturdy, Julian
Swales, Iain
Swayne, Mr Desmond
Swinson, Jo
Syms, Mr Robert
Tapell, Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mr Shailesh Vara and
Jeremy Wright

Question accordingly negated.

Bill to be further considered tomorrow.

BUSINESS OF THE HOUSE

Motion made, and Question put forthwith (Standing Order No. 15).

That, at this day's sitting, proceedings on the Motion in the name of Sir George Young relating to Private Members' Bills may be proceeded with, though opposed, until any hour.—(Miss Chloe Smith.)

Question agreed to.

Mr Matthew Offord (Hendon) (Con): On a point of order, Mr Deputy Speaker. During the last debate, I heard a Member make a comment about another Member in this Chamber. The language that they used certainly was not parliamentary. Will you take some action, or advise me on how I might make a complaint against the right hon. Member for Manchester, Gorton (Sir Gerald Kaufman) for the comments he made when the hon. Member for Liverpool, Riverside (Mrs Ellman) stood to make an intervention?

Mr Deputy Speaker (Mr Lindsay Hoyle): If it had been within earshot of me, obviously I would have dealt with it straight away, but I did not hear anything.

Private Members' Bills

Mr Deputy Speaker (Mr Lindsay Hoyle): I inform that House that Mr Speaker has selected the amendment.

7.28 pm

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): I beg to move,

That, notwithstanding the provisions of Standing Order No. 14(4), Private Members' Bills shall have precedence over Government business on 9 September 2011, 21 October 2011, 25 November 2011 and 20 January 2012.

Briefly, the purpose of the motion is to provide extra days for private Members' business, in line with the Government's intention to continue this Session until spring 2012. The House will be aware that the Procedure Committee is conducting an inquiry into sitting hours. This is not a debate on the wider issue of process and timings for private Members' business, which I know the Committee will want to consider.

The previous Government brought forward no extra days in the first Sessions of previous Parliaments. Indeed, in the final Session of the previous Parliament, the then Leader of the House brought forward a resolution that reduced the number of days for private Members' business. This House must balance the needs of Members to proceed with private Members' business with other priorities. The Leader of the House has received Back-Bench representations calling for fewer sitting Fridays, to allow Members to spend more time in their constituencies and to reduce the costs of this place. If the Fixed-term Parliaments Bill is agreed and we move to annual spring-to-spring Sessions, we will no longer be faced with the issue of increasing or reducing the number of days.

I cannot recall any previous Government bringing forward a motion to increase the number of sitting days. In the interests of Back Benchers, particularly those who have been successful in the ballot and wish to see their Bills taken forward, I am very happy to do so today. That is a proportionate response, and I hope the House will support the motion.

7.29 pm

Helen Jones (Warrington North) (Lab): We welcome the motion that the Leader of the House has tabled. This is a greatly extended Session of Parliament, certainly longer than any that I can remember, and it is therefore right that more time should be allowed for Back-Bench business. As the Deputy Leader of the House said, there are other things to consider about how the House deals with private Members' Bills and how Members can get a fair hearing for them, but they should and will be dealt with at another time.

Members who table private Members' Bills deserve the chance for those Bills to receive proper debate and, if they get the necessary support, for them to pass into law. As with all matters before the House, however, we need to ensure that there is a little common sense and, if I may gently say so, a little consideration. Some Members have tabled an amendment to extend the amount of time available for private Members' Bills, but at the moment a small group of Members are introducing a great many such Bills, which is unhelpful to the House as a whole and to other Members who wish to have their own Bills debated.

Thomas Docherty (Dunfermline and West Fife) (Lab): Has my hon. Friend noticed, as I have, that the same group of Members are the ones who seem to speak the most on a Friday? Perhaps if they spoke slightly less, we might have more time to make progress on Fridays.

Helen Jones: My hon. Friend tempts me into a matter that is one for Mr Speaker and his deputies. I am sure that if hon. Members were filibustering, Mr Speaker would not allow them to do so.

When I last counted, I think the hon. Member for Christchurch (Mr Chope) had about 20 Bills on the go, and the hon. Members for Wellingborough (Mr Bone) and for Kettering (Mr Hollobone) had 13 each. I cannot vouch for the accuracy of those figures, because my eyes started to glaze over as I went through the list. Frankly, I started to lose the will to live after a while.

The problem comes down to the fact that Members who are successful in the ballot for private Members' Bills and wish to introduce legislation should have a fair chance to have their Bills debated and voted on. It is up to them to gather enough support from all parties to get their Bills through, but I say to the hon. Members who have tabled the amendment that that cannot happen if others table so many Bills that they block up the system entirely. It is neither fair nor proportionate.

Mr Philip Hollobone (Kettering) (Con): But that cannot happen in the second part of this extended Session, because there is not going to be a further ballot to allow private Members to take part in the process. Does the hon. Lady agree with the coalition Government that there should not be a further ballot?

Helen Jones: We will wait to see what the Government bring forward, but if the hon. Gentleman thinks that his Bills do not have a chance of getting through, one wonders why he tabled them in the first place.

I hope that we can agree to the motion, so that Members who wish to pursue their private Members' Bills have a proper opportunity to do so and get a fair hearing from the House.

Mr Deputy Speaker (Mr Lindsay Hoyle): I call Peter Bone to move the amendment.

7.33 pm

Mr Peter Bone (Wellingborough) (Con): I am very grateful to Mr Speaker for having selected my amendment, but having heard what the Deputy Leader of the House said in his powerful speech, with your permission, Mr Deputy Speaker, I will not move the amendment. I should instead like to speak to the main motion.

Mr Deputy Speaker: We thank the hon. Gentleman for the clarification. The amendment is not moved.

Mr Bone: Ooh, my pager has just pinged.

I do not know whether to cheer or boo—I have heard some booing tonight. I was slightly disappointed that the hon. Member for Warrington North (Helen Jones) wished to carry on the old Executive's way of controlling private Members' days and having as few as possible. The enlightened view of the Deputy Leader of the House has encouraged me to support the motion, and I am looking forward to the reform of private Members' business.

Helen Jones: Can the hon. Gentleman quote back to me anything I said that suggests I want the Executive to have control of private Members' Bills?

Mr Bone: I cannot—I do not have that sort of memory—but I got the impression that the hon. Lady was saying, "No more extra days," whereas the previous Government did not support Standing Orders and reduced the number of private Members' days in a Session, and I shall talk about that briefly later on. That is a key issue. I was hoping she would stand up and say, "Actually, the previous Labour Government got it wrong on that particular point."

While I am dealing with the hon. Lady's remarks, I wanted to talk about the process and the number of Members who have tabled private Members' Bill. She gave the impression that only three Members had tabled Bills.

Mr Edward Leigh (Gainsborough) (Con): What does my hon. Friend think would have been the attitude of our late, great friend, Eric Forth to all this? He killed more private Members' Bills than most of us have had hot breakfasts. Would he have welcomed more days for private Members' Bills so that more people could indulge their fantasies of adding to the nanny state?

Mr Bone: Eric Forth was perhaps one of the best parliamentarians ever, and I rather think he enjoyed Fridays, so he probably would have liked more.

I saw a wonderful quote from the Leader of the House, who is not in the Chamber, about how wonderful it was to be selected in the ballot. The main obstacle to getting his Bill on the Order Paper was Eric Forth. Eric will probably be looking down now and saying: "Yeah. Actually, we would like more power for Parliament"—he certainly believed in that—"and therefore more power for Fridays."

Helen Jones: Perhaps the hon. Gentleman needs to search his memory, because what I remember most about Eric Forth, for whom I had a great deal of admiration, is that he spent most of his time on Fridays killing off private Members' Bills rather than allowing them to get through—[Interruption.] As the Deputy Leader of the House says, he would certainly have enjoyed that.

Mr Bone: The hon. Lady has misunderstood my comments. Eric Forth killed off hopeless Labour private Members' Bills, which he did with great relish. My hon. Friend the Member for Bury North (Mr Nuttall) has now taken on that role, and does it extremely well indeed—no doubt we will see some more Bills killed.

As legislators, MPs have the opportunity only on a Friday—on a private Members' Bill day—to put forward their Bills. I should like to counter the view of the hon. Member for Warrington North. She said that only three Members put down private Members' Bills on the days that we are discussing. In fact, on 9 September, my hon. Friend the Member for Romsey and Southampton North (Caroline Nokes) will promote the Consumer Protection (Postal Marketing) Bill and my hon. Friend the Member for Christchurch (Mr Chope) will promote his Reporting of Injuries, Diseases and Dangerous Occurrences Regulation Bill. On 14 October, my hon. Friend the

[Mr Bone]

Member for Rochester and Strood (Mark Reckless) will promote the Police Terms and Conditions of Service (Redundancy) Bill.

Mr Heath: The hon. Gentleman will admit to slight support for the case of the hon. Member for Warrington North (Helen Jones). Of the 112 private Members' Bills before the House, 51—nearly half—are in the names of the hon. Members who are signatories to the amendment. In fact, their legislative programme is about twice the size of the Government's.

Mr Bone: There are two things wrong with that. First, when Front Benchers agree on something, it is almost certain not to be the correct way forward. Secondly, the alternative Queen's speech proposed by certain Members had a reason behind it beyond thinking that all those Bills would be debated.

There are three ways in which private Members' Bills get debated. Most people think that that happens only through the ballot, but there are also ten-minute rule Bills—they must be debated in the Chamber, when they get an opportunity for Second Reading as a private Member's Bill—and, of course, presentation Bills. I shall not speak to my amendment, which was not moved because of all the wonderful things that the Deputy Leader of the House said. That is a shame, because I could have quoted what he said in his previous guise as an Opposition spokesman. I will not do that, but he was certainly much more in favour of additional days then than he is now that he is in the Government.

Mr Hollobone: In his intervention, the Deputy Leader of the House seemed to imply that the large number of private Members' Bills was a bad thing, but actually, it is a very good thing. Parliamentarians are coming forward with proposals for legislation to improve our country and the way of life of our people. Having only four days in the extended programme in which to cram all those Bills is a totally inadequate allocation of parliamentary time.

Mr Bone: My hon. Friend puts that argument much better than I could have done.

I want to go back to the list of Bills, to give the House a flavour of the matter and to show that it is not just three or four Members who are involved. My hon. Friend the Member for Shipley (Philip Davies), who has not been mentioned so far, has a non-controversial Equality and Diversity (Reform) Bill before the House on 21 October. The hon. Member for Nottingham East (Chris Leslie) has his Master's Degrees (Minimum Standards) Bill, and my hon. Friend the Member for Worthing West (Sir Peter Bottomley) has his Waste Recycling (End Use Register) Bill. I could go on and on, but my point is that these Bills are important to the Members concerned, and they might well be important to their constituents and to the country. They should be heard, and we should not try to restrict debate on them.

Mr William Cash (Stone) (Con): I hope that my hon. Friend will be good enough to note that if a Member introduces and prints a presentation Bill, that will demonstrate to the country what they intend to do. My Prevention of Terrorism Bill, for example, would unwind the application of the Human Rights Act 1998 and give

us a proper terrorism law. Does he also appreciate that it is possible to attach signatures to such Bills by tabling an early-day motion? On one occasion, there were as many as 350 signatures attached in that way. That provides ample evidence of the support that a Bill has, even though the Government, by their continuous diminishing of the opportunities for the House to vote on matters that are important to the people at large—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order.

Mr Bone: My hon. Friend makes an important point. Just to cheer him up, I can tell him that if Friday 18 November had been one of the days selected by the Government, there would have been a Referendums Bill introduced by hon. Friend the Member for Christchurch, which he might have been interested in.

Sometimes, private Members' Bills serve the purpose of getting the issue discussed, as my hon. Friend the Member for Stone (Mr Cash) has just demonstrated. They also serve the purpose of getting the matter into law. There are a great deal many difficulties involved in getting a private Member's Bill through the House, and that is why we should not reduce the number of days available on which to debate them. I shall give the House an example of someone who knew how to do all this. Anthony Steen, the former Member for Totnes, got his Anti-Slavery Day Bill through in the dying days of the last Government when no one was watching what he was up to. That was a very important Bill, and we now celebrate anti-slavery day on 18 October. He has changed the national law, and well done to him, but that was only possible because he used the procedures. I hope that my hon. Friend the Member for Kettering (Mr Hollobone) will agree that this is all about knowing the procedures, and that that is what we, as parliamentarians, should be doing.

I must tell the House why I have a problem with the Deputy Leader of the House. He knows of my admiration for him. We have, in the Leader of the House and the Deputy Leader of the House, two superb parliamentarians, supported by an equally superb Parliamentary Private Secretary, my hon. Friend the Member for Henley (John Howell). Selfishly, I hope that they will remain in their posts on 6 May, or whenever the next reshuffle is going to be. We are lucky to have them, and that is why I am slightly disappointed. I cannot remember what the Deputy Leader of the House did before he came to the House. I had the unfortunate problem of being a chartered accountant, and I am therefore used to adding sums up and getting wrong numbers. I think that the hon. Gentleman might have been a chartered accountant, too, because he has added the sums up and got a wrong number. Standing Order No. 14(4) clearly states:

"Private Members' bills shall have precedence over government business on thirteen Fridays in each session to be appointed by the House."

There is no question about that.

Now this is where I was a little disappointed by the hon. Member for Warrington North, who I guess is shadow Deputy Leader of the House. In the last Session of the last Government, there were only five private Members' days. [Interruption.] The hon. Lady mutters—she could have acted properly and intervened—that that is because it was a short Session. She well knows, however, that that is not allowed for in the Standing Orders. We must have 13 days.

If I were to be generous to the last Labour Government, as I always am, I would say that they quite properly argued that the eight days lost because it was a short Session should be added on to the longer Session that would run from the election in May—not to the November of that year, but to that of the year after. I am happy to accept this argument, which gives us eight more days for a start.

The Government have given us the 13 days that we would normally have in a Session—there is no argument about that; they are absolutely correct—but there are, of course, the eight that have been missed. That takes us up to 21 already. Because the Government are moving towards a five-year, fixed-term Parliament, which I agree with, and there will be one-year parliamentary Sessions, they have added from November 2011 to May 2012—I reckon that is six months—and assumed that to be half a year. What we need, the Government have said, is half of 13, which seems to come to four.

Now I reckon half of 13—as an accountant, I have to round up—comes to seven. What we should have, then, are the 13 days the Government have given us, the eight that the previous Government took away, plus the seven for the additional term. If I add seven and 13, I get 20 and if I add eight, I get 28. This is my problem; I think we should have 28 days.

Mr David Nuttall (Bury North) (Con): My hon. Friend is, as ever, making a very powerful speech. Does he agree that, on that basis, the amendment—I fully understand the reasons why it was not moved—is a compromise? It might almost be described as the third way.

Mr Bone: As always, I was trying to be helpful and considerate towards the Government. In fact, on the day before yesterday, I had a fine meeting in private with the Leader of the House. After our conversation, he was very clear. I had impressed him so much that he said, "Peter, I have not given you a wink, nod or any indication that the Government have moved from their current position", which is, of course, exactly what happened. They did not move and they slapped this motion down for tonight.

Let us get back to the number of days: the 13 plus the seven that we should get under the Government's own very generous thought, as they are extending the Session. If we add the eight, we get 28 days. I would have accepted 28 days, but I thought, "Let us look at it another way, as accountants always do it twice". If we are moving towards one-year parliamentary Sessions—from May to May—we are going to have 13 private Members' Fridays in each year. That is very clear, and that will kick in in May 2012. From May 2010 when this Parliament started—on 18 May, I think—to May 2011 would provide us with 13 days. From May 2011 to May 2012 would provide another 13, making 26. As a chartered accountant, I have done the sums and come up with two different answers. We should have either 26 days or 28 days.

Unfortunately, when the Deputy Leader of the House came up with his calculations, he came up with 17 days, which is the 13 days that we had to be given, plus the extra four. That is why I wonder whether he is another chartered accountant. He has clearly come up with a completely different result from that most people expected.

On a serious note, I just think that this was a great opportunity to fix broken promises. I re-read the Prime Minister's excellent speech of 26 May 2009 when he said he wanted to return powers to Parliament and to Back Benchers. He wanted MPs to be independent. I have taken that to heart and tried to be independent and tried to be a parliamentarian, but the lack of days will restrict my ability to do that.

I encountered another difficulty today when I received a text message from a constituent saying "If you do not get this amendment through, it will mean that you will be at home more often." I want to know what the Deputy Leader of the House will say to Mrs Bone about that, because it seems to me that parliamentarians should be here scrutinising the Government. The provision of a private Members' day once a month—which is what this amounts to—is surely not a problem, and I feel that we have missed an opportunity.

I know that there are pressures on those in government, I know that the Executive want to control everything, and I understand that that is the old way. I also know that the Prime Minister wants to get away from that, and wants a new politics that will make the House of Commons more important. I did not move my amendment for precisely the reason given by the Deputy Leader of the House: we are moving towards the establishment of a Business of the House Committee, and once we have such a Committee, none of these problems will arise. Everything will be sweetness and light, because Parliament rather than the Executive will allocate the days.

I was so encouraged by the fact that reform of the private Members' Bills procedure was being considered seriously that it would have been absurd for me to argue for the provision of 13 extra Fridays. In a few months' time the Leader of the House will stand at the Dispatch Box, announce that private Members' Bills will be debated on Wednesday evenings, and say "We have thought about this, and we are going to grant such-and-such a number of extra days." I see this as a holding debate in anticipation of those reforms. I am encouraged by what has happened today, and I will therefore support the motion in the hope of seeing the reforms introduced a little later.

7.51 pm

Mr Philip Hollobone (Kettering) (Con): I am disappointed by what the Government have done tonight. My starting point is to ask why they are doing this at all. Why is this something that we had to let the Government propose? It seems to me that it is a matter for the House—that the House should decide how many days it will devote to private Members' Bills. I should have thought that a sensible discussion between the Leader of the House's office and the Backbench Business Committee would have come up with a far more sensible procedure.

The way in which time is allocated for private Members' Bills has serious implications for the Backbench Business Committee. Despite the best efforts of the Deputy Leader of the House, who is doing a very good job in the absence of the Leader of the House—I am disappointed that the Leader of the House is not present, given that he told us that this was such an important issue that it had to be debated tonight—we have not heard how he calculated the four extra days. We heard a superb analysis from my hon. Friend the Member for Wellingborough

[Mr Philip Hollobone]

(Mr Bone) of how the Government might have arrived at that figure, but that is only the best estimate of my hon. Friend. It is not actually the process employed by the Government, and it is the Government who allocate time to the Backbench Business Committee.

I should like to know whether the same process of calculation, which is so obscure and opaque that none of us knows what it is, will be applied to the allocation of Back-Bench business time. The Backbench Business Committee, and, I would hope, all Back Benchers, will be extremely concerned if, in an extended parliamentary Session that is the equivalent of two normal parliamentary years, Back-Bench time is not also equivalent to two full parliamentary years. I should welcome an intervention from the Deputy Leader of the House if he wishes to reassure me that my fears are unfounded, but I fear that we could be running into trouble.

The other thing that we have not heard from the Deputy Leader of the House is why he has chosen these particular Fridays. What is special about 9 September, 21 October, 25 November and 20 January 2012? Why have they been chosen rather than any of the other Fridays? I would have hoped the Deputy Leader could give us an explanation for that.

The hon. Member for Warrington North (Helen Jones) criticised those of us who have tabled quite a large number of private Members' Bills, and she was generous enough to mention in passing myself and my hon. Friend the Member for Wellingborough. She might find reassurance in the fact that none of the Bills my hon. Friend or I have tabled has reached the top of the list for discussion in this parliamentary Session. Despite our best efforts, we have not had the opportunity of parliamentary time to test our ideas in the Chamber. I do not believe we should be criticised for trying, however; we are doing our best on behalf of our constituents to put forward ideas to improve our nation, and that is entirely laudable.

Mr Richard Bacon (South Norfolk) (Con): I have a lot of time for the hon. Member for Warrington North (Helen Jones), but I, too, was a little disappointed in her statement that Members who thought they had no serious chance of making progress with their Bill should just withdraw it.

Helen Jones: I did not say that.

Mr Bacon: The hon. Lady did say words to that effect, as the record will show. I have paraphrased, but that is essentially the meaning of what she said: that Members who thought they had no serious chance of making progress with Bills should withdraw them. I have been trying for seven years to get food labelling legislation on to the statute book. The fact that I have now had to introduce a Bill four times, and that at each stage people have said I have very little chance of succeeding, has never stopped me trying.

Mr Hollobone: I commend my hon. Friend for his efforts with his private Member's Bill, and I am delighted that this coming Friday it is listed fourth on the Order Paper. I hope that by some magical intervention it might rise further up the Order Paper and we therefore get a chance to debate it, scrutinise it and vote on it so

that it can make further progress in this place. I will be making a special effort to be here on Friday to hear my hon. Friend discourse on his Bill, and I know other hon. Friends will also make a special effort. I do not share the view that being here in the Chamber on a Friday is not an appropriate use of a Member of Parliament's time. I do not know where the idea that every Friday has to be a constituency day came from. I think it is probably a new Labour invention. They tried to persuade Members of Parliament not to turn up to this place so we did not scrutinise the Government and instead let the Executive get away with quite a lot.

Mr Cash: A number of incredibly important private Members' Bills have got through in the teeth of Government opposition, such as those on the abolition of capital punishment, the beginnings of the whole of the suffragette movement—that can be read about in the Library—the removal of obstacles preventing women's enfranchisement, and at present, of course, the United Kingdom Parliamentary Sovereignty Bill. The important point is that these Bills were proceeded with in the teeth of Government opposition. That shows why we need to have this time.

Mr Hollobone: My hon. Friend is a far greater expert in parliamentary affairs than I will ever be, and I would willingly give all 13 days in a parliamentary Session to him so he can bring forward sensible legislation to improve the life of our nation. The point he makes is incredibly powerful.

I am a bear of little brain—I am not, I am afraid, an accountant or a lawyer—but I believe that there are 52 Fridays every year, while 13 Fridays are normally listed for private Members' legislation. Members therefore have plenty of Fridays to devote to tending to the needs of their constituents. The idea that we have to sacrifice a large proportion of those 13 Fridays to enable more constituency days is misguided. The real reason for this is that the Executive do not want Members bringing forward ideas that the Government do not control, and which, according to them, might possibly get out of control. That is a big mistake.

Jim Shannon (Strangford) (DUP): Surely for those people introducing Bills and legislative change the proceedings on Fridays are an extension of representing their constituents here and making the changes they want.

Mr Hollobone: Those wise words from across the Irish sea are extremely welcome, and it would be great if more Members of this House thought that way. I know that the hon. Gentleman is an assiduous attender, who stands up and speaks up in this place on behalf of his constituents. He is not frightened of scrutinising legislation, and private Members' Bills are all part of that parliamentary process. Each of us, no matter what party we represent, is the only person from our constituency entitled to sit in this Chamber and speak up on behalf of our constituents. If we can do that to good effect on those 13 Fridays, more power to our elbow.

Mention has been made of the late, great Eric Forth, who was an outstanding parliamentarian. One of Eric's great attributes was that although he did try to scrutinise private Members' Bills in great detail, he would not have been in favour of reducing the number of parliamentary Fridays. He would have said that it is everyone's right to try to introduce legislation, but that legislation must be

scrutinised effectively in this place. We heard a comment earlier about the difficulties of Bills making progress, but the point of this place is not to make progress with Bills: it is to scrutinise them and to allow their passage once they are in a fit and proper shape. I very much hope that my hon. Friend the Member for South Norfolk (Mr Bacon) will demonstrate that to good effect this Friday, given the years of work he has put into honing his legislation in fine detail, and ensuring that every nook and cranny has been explored and every possible difficulty ironed out. If Parliament did not exist, we would not be able to scrutinise legislation in that way, which is why these private Members' Fridays are so important.

Mr Nuttall: Does my hon. Friend agree that one way in which good ideas in private Members' Bills reach the statute book, even if they are not successful in reaching it on a Friday through the normal procedure, is by being adopted by the Government and, on occasion, by being fitted into Government Bills?

Mr Hollobone: My hon. Friend speaks wise words, and I can give him an exact example of what he describes from this very week. I have sponsored the non-controversial Face Coverings (Regulation) Bill. It is one of my Bills that has not reached the Floor of the House, but on Monday the Home Secretary stood at the Dispatch Box and said that the Government were looking into the difficulty of controlling all the yobs in these riots who cover their faces. My Bill would make it an offence for someone to cover their face for the purpose of obscuring their identity. I was pleased to be able to draw that to the Home Secretary's attention this week, and I very much hope that she will look at my Bill and see how it might be best adapted to meet the Government's needs. The quickest way to facilitate any advantage to this country in that becoming law would be to introduce the Bill in Government time in this place.

However, in response to my hon. Friend, may I say that I have a feeling that one reason why the Government are nervous about granting too many private Members' Fridays is because they have recently had a bad experience in this place with the Daylight Saving Bill? Lots of hon. Members were determined to see that Bill make progress and they gave up their Friday to attend in numbers to ensure that its Second Reading passed, despite Government opposition. Governments do not like getting their fingers burned, which may be one reason why they have, in effect, as my hon. Friend the Member for Wellingborough said, reduced the number of days to which this House is entitled.

I am sorry, but the House of Commons does not exist for the convenience of Her Majesty's Government. The House of Commons exists to hold Her Majesty's Government to account, because without Parliament the Executive would be able to run amok. On these Benches sit centuries of tradition and scrutiny of the Executive, and the private Members' Bill process is part of that process of trying to improve the life of our nation. I am disappointed that the Government are being so mean as to allow only four extra private Members' days, because at the very least the number should be 13. I very much hope that when the House Business Committee is up and running, we will have a proper sensible allocation of days for private Members' Bills.

8.5 pm

Mr Heath: With the leave of the House, I should like to respond. I am grateful to hon. Members who have contributed to the debate and particularly to the hon. Member for Wellingborough (Mr Bone) for the way in which he approached it. I know from having argued this case with him, often in similar terms, that it is something he cares passionately about and feels should happen.

I have indicated that a number of things will affect how the House deals with this matter in future, such as the Fixed-term Parliaments Bill, which will bring more certainty and uniformity to parliamentary Sessions. Also, as the hon. Member for Kettering (Mr Hollobone) said, there is the prospect of the Backbench Business Committee being evaluated and the Government are committed to bringing forward proposals for a business of the House Committee, which will take on the difficult role of making sure that the interests of all Members are properly taken into account, as far as possible, given that some of them compete. That seems proper.

We also have the Procedure Committee doing something that the Wright Committee suggested but did not have the opportunity to see through. The Wright Committee recognised that there was a problem with how we deal with private Members' Bills, but it could not come up with a solution in the tight time scale within which it was operating. It therefore suggested that this Parliament should look into the matter, which is why my right hon. Friend the Leader of the House asked the Procedure Committee to look at the process for private Members' Bills. We look forward eagerly to its report.

Various things are in motion and we have attempted to respond to the legitimate request for more time. Let me emphasise that this is the first time that a Government have provided more time for private Members' Bills in a long Session to enable those who have been successful in the ballot and whose Bills are receiving consideration in Committee to make progress if that is the will of the House—it is the House that decides whether that should be the case.

Mr Hollobone: Is the Deputy Leader of the House going to enlighten us as to the calculation by which he arrived at four extra days?

Mr Heath: It is a matter of balance. It is about looking at the time available and the competing pressures on Members. We came up with a proposal that the House could consider this evening and that proposal is certainly a lot better than anything that has been suggested before. I think the hon. Member for Wellingborough accused me of being an accountant, but I really am not.

Mr Bone: You might be a lawyer.

Mr Heath: Neither am I a lawyer—that is even worse. I was formerly an optician, which is perhaps why I want to focus on the interests of all Members of the House in finding what suits them best.

Let me deal with an issue that the hon. Member for Kettering raised, which is not directly related to private Members' Bills but is within the same context—the time allocated to the Backbench Business Committee. He said there was some arcane or obscure formula, but there is not: the formula was determined by the Wright

[Mr Heath]

Committee. The Government were committed to introducing the reforms proposed by the Wright Committee and that is exactly what we did. We have been clear throughout that we will continue to allocate time to the Backbench Business Committee to enable it to do its work and to provide time for Back-Bench Members of the House. We have done so throughout this Session on the basis of about one day a week. We will continue to do exactly what we have done, and most people believe that the allocation is fair and has been used sensibly.

Mr Nuttall rose—

Mr Heath: This is the last time that I shall give way, because I was about to conclude.

Mr Nuttall: Is there any particular reason why no Fridays have been allocated in February or March 2012?

Mr Heath: We must remember the interests of Members who have been successful in the ballot and want their legislation to proceed. If they are to succeed in putting something on the statute book, they need time at the end of the process. This is a bicameral Parliament. The Commons must do its work, but another place must scrutinise and revise legislation. It does not make sense to have days for private Members' Bills abutting the end of the Session, effectively preventing worthy pieces of legislation that have completed scrutiny in the Commons from making further progress. There is a rationale behind the proposals, but that is a matter for the House. I hope that the House will take a view on the matter. I am satisfied that we are making another significant reform to the way in which the House works, again taking time away from the Executive and giving it to Back-Bench Members, which is right, proper and proportionate. I commend the motion to the House.

Question put and agreed to.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

IMMIGRATION

That the draft Asylum and Immigration (Treatment of Claimants, etc.) Act 2004 (Remedial) Order 2010, which was laid before this House on 20 December, be approved.—(Stephen Crabb.)

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

CUSTOMS

That the Export Control (Amendment) (No. 2) Order 2011 (S.I. 2011, No. 580), dated 2 March 2011, a copy of which was laid before this House on 2 March, be approved.—(Stephen Crabb.)

Question agreed to.

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith (Standing Order No. 119(11)),

ANNUAL GROWTH SURVEY

That this House takes note of European Union Document No. 18066/10 and Addenda 1, 2 and 3, relating to the Annual Growth Survey: advancing the EU's comprehensive response to the crisis; supports the Government's objective of promoting strong, sustainable and balanced economic growth in the EU, with particular regard to EU-level actions aimed at strengthening the single market and trade, enhancing innovation and ensuring smarter EU regulation; welcomes the Commission's new Annual Growth Survey and its focus on the urgent need for the EU and its Member States to promote economic growth and employment; and urges the EU to ensure that policies align with the need for EU growth and jobs and the need to reduce deficits.—(Stephen Crabb.)

Question agreed to.

DELEGATED LEGISLATION (COMMITTEES)

Ordered,

That the Measure passed by the General Synod of the Church of England, entitled Care of Cathedrals Measure (HC 868), be referred to a Delegated Legislation Committee.—(Stephen Crabb.)

Ordered,

That the Measure passed by the General Synod of the Church of England, entitled Ecclesiastical Fees (Amendment) Measure (HC 870), be referred to a Delegated Legislation Committee.—(Stephen Crabb.)

Ordered,

That the Measure passed by the General Synod of the Church of England, entitled Mission and Pastoral Measure (HC 869), be referred to a Delegated Legislation Committee.—(Stephen Crabb.)

SECTION 5 OF THE EUROPEAN COMMUNITIES (AMENDMENT) ACT 1993

Motion made,

That, for the purposes of its approval under section 5 of the European Communities (Amendment) Act 1993, the Government's assessment, as set out in the Budget Report and the Office for Budget Responsibility's Economic and Fiscal Outlook, shall be treated as if it were an instrument subject to the provisions of Standing Order No. 118 (Standing Committees on Delegated Legislation).—(Stephen Crabb.)

Hon. Members: Object.

PETITION

Development (Luton)

8.12 pm

Kelvin Hopkins (Luton North) (Lab): I wish to present this petition on behalf of Mr Pat Conway, No-to-North group co-ordinator, of 407 Turnpike drive in my Luton North constituency, and 947 other signatories. The petitioners oppose development to the north of Luton, and have set out the reasons for their objections, believing that there are better alternatives for growth that should be considered instead. The petitioners therefore request that

the House of Commons urges the Government to encourage Luton Borough Council to consider alternative sites for development in and around Luton.

Following is the full text of the petition:

[The Petition of residents of Luton,

Declares that the Petitioners strongly object to the Strategic Specific Site Allocation to the North of Luton, to the employment sites at Sundon and beside the A6 and to the proposed Luton Northern Bypass; notes that the Petitioners believe that the location for development is

wrong because of the distance to Luton Town Centre, the limitation to increase capacity on the existing roads like the A6 and B579, the impact on schools and other local facilities, its poor location in relation to public transport, the direct impact on Areas of Outstanding Natural Beauty, the negative social and economic impacts on the nearby residents and the costs to the taxpayer, and further notes that the Petitioners believe that there are better alternatives for growth instead.

The Petitioners therefore request that the House of Commons urges the Government to encourage Luton Borough Council to consider alternative sites for development in and around Luton.

And the Petitioners remain, etc.]

[P000911]

Community Facilities (Flitch Green)

Motion made, and Question proposed, That this House do now adjourn.—(Stephen Crabb.)

8.13 pm.

Sir Alan Haselhurst (Saffron Walden) (Con): My first preference was to entitle this debate "The Battle of Flitch Green", but I was advised against doing so lest a Defence Minister be sent to the Dispatch Box. Nevertheless, a long drawn-out battle has taken place over this community.

Once upon a time, there was a sugar beet factory on the site of what is now the parish of Flitch Green. That, after it ceased operation, remained a monument on the landscape for quite some time, but in the wake of the Stansted airport inquiry in the 1980s, when sites were being considered for what was termed airport-related housing, the site there became one of those eventually selected and was then given the title Oakwood Park.

There were 485 houses in the original allocation, although that had been increased to 655 by 2001, and not many bricks had been placed on bricks before a further 160 were added, bringing the total to 815 houses. The original application was granted on appeal in 1998. The provision of social and community facilities was regulated by a section 106 obligation imposed by the planning directorate. There were specified a multipurpose community hall, a village car park, sports pitches, a local equipped area for play and a neighbourhood area for play. These were meant to be provided by the time the 501st house was completed. None was.

Not part of the obligation, but glowingly described in published literature, no doubt designed to arouse interest in the village, were locations for shops, a surgery and a pub, as well as a landscaped area. The brochures stated:

"Shops including a small supermarket will be provided to serve the local convenience needs of the new residents",

and

"A pub/restaurant with dedicated parking is proposed for a site overlooking the village green".

The brochures went on to say:

"The village green will be of traditional form surrounded by avenues of large trees . . . and will be of a size to accommodate a cricket pitch and junior soccer pitch and could incorporate a small pavilion."

Picture the scene; it might even have come from one of my books! However, there is no need to imagine, because there were colour illustrations in the brochures showing an idyllic village in a rural setting—but before my hon. Friend the Minister is tempted by my words to ring a local estate agent and ask about vacancies, he should beware. If he were to go there, he would not find any of the facilities that I have just described.

The good news—the only good news—was that the development company, Enodis, has built a community hall and laid out a young children's playground. The bad news, however, is that the hall was only very recently adopted because, in the words of the planning authority, Uttlesford district council,

"its appalling construction required a great deal of remedial work to make it acceptable."

That is the limit of what has been done at Flitch Green. Not even the roads are of adoptable standard.

The technique employed by the development company to delay the provision of facilities which, if not legally bound, it was honour-bound to provide, was to put in a

[Sir Alan Haselhurst]

fresh planning application for additional houses. In those circumstances, it seems that the court would not grant the planning authority an enforcement because it would theoretically be possible that some change might be made in the layout of the plans for the village.

The application would be refused by the district council, it would go to appeal, it would be turned down on appeal, it would go to judicial review, it would be turned down again, and then the process could recommence. Another planning application could go in. That is how the time has been spent—going to court, going to inquiry, and not providing facilities that people were entitled to expect. Enodis could fairly be called a sort of corporate artful dodger.

I make allowance for the fact that the contractor, Colonnade, which was to have built the village centre, went into liquidation, which has caused a separate hold-up. The district council has also given approval for another 98 homes, which brings the total to well over 900.

There are currently three planning applications before the council. First, there is an application for a village centre adjacent to the one that has fallen foul of the collapse of Colonnade. Secondly, there is an application for a sports field. It is not the original sports field, but a much better one that has apparently been given approval by Sport England. Unfortunately, it is not in the parish of Flitch Green, but in the neighbouring parish of Felsted. Thirdly, an application has been made for a further 107 houses. Even if Uttlesford district council were minded to approve the applications, Enodis, on past form, would probably build only the houses, as it would be under no obligation to implement the planning permissions given for the village centre and the sports field.

There we have it. Some of my constituents have been living in Flitch Green for 10 years, but there is still no sign of the shops, no sign of the pub or restaurant and no sign of the village green. In 2008 a leaflet was circulated by Enodis stating, "We want your views." Of the then 650 households, only 18% responded—I suspect that most were completely fed up with Enodis by that time. To the question, "Do you want the playing field and large area of play the other side of the Stebbing brook?", meaning in Felsted, as shown on Enodis's latest planning application, 121 people said no and 34 said yes. Enodis took the number of abstentions to mean approval, and of course the people of Felsted were not asked. However, when views are expressed by the elected parish councils of Flitch Green and Felsted and the elected district council of Uttlesford, Enodis simply does not listen.

Enodis's latest line is to say that there are deficiencies in Uttlesford district council's five-year housing supply chain and that that should be a factor in determining the application for the final phase of Flitch Green. That would mean another 107 houses on the site that was designated as the sports field in the original master plan. The parish of Flitch Green would like the sports field to be in that original position. It does not approve of the line of Stebbing brook being crossed and the playing fields put on the other side. The parish of Felsted certainly does not approve of that, because it fears that in-filling would follow between the sports field and the present boundary of buildings in the parish.

What worries me is that, were the Government prepared to go along with the argument being put forward by Enodis, Uttlesford district council would be denied the ability to make its own plans for housing provision for the future. That would certainly flout the opinion of the two parish councils. In those circumstances, one would be tempted to ask, "What price localism then?" I say to the Minister, after this appalling history of manipulation, that Enodis's disgraceful and contemptuous attitude shows that this is a battle it should not be allowed to win.

8.24 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): I congratulate my right hon. Friend the Member for Saffron Walden (Sir Alan Haselhurst) on securing this debate and on the powerful way in which he has put forward his constituents' concerns. I am sure that everyone who has listened to the debate will understand why those concerns have been raised.

The debate raises important issues about the provision of community facilities, the planning process, the operation of section 106 agreements and the means by which planning gain—as it is often referred to—is captured for the benefit of the community. Those are important issues of policy that the Government are determined to address, because often it is the failure to give communities a tangible benefit from development and growth that makes them wary of growth and creates opposition. The Government, on the other hand, are keen to encourage sensible and sustainable development in the right place and with the support of local residents.

My right hon. Friend naturally and rightly concentrated on the battle of Flitch Green. Earlier, when we were unsure when we would reach this Adjournment debate, I would have been grateful for his having secured the debate on the battle of Flitch Green, so that one of my hon. Friends from the Ministry of Defence would have had to reply. As it is, however, I am glad to be able to respond while it is still today. He has set out in detail the history of the matter and difficulties faced by residents in securing the facilities that they were anticipating as part of a broader development. He pointed out that extant planning applications are under consideration, so he will understand why, owing to the responsibility of my Department and the Secretary of State in the planning process, I cannot comment in detail on the facts of the matter.

I hope, however, that I can assure my right hon. Friend that the Government are seized of the policy issues of concern that he raised. It seems that what has happened falls within permitted conduct under the law as it stands. That highlights the fact, however, that there are some deficiencies in the legal framework. Planning obligation is a well established concept and a valuable one. Planning obligations are legal agreements between developers and local authorities, and deliver what is necessary to make a development acceptable in order to obtain planning consent. It is necessary for planning obligations to meet clear policy and statutory tests to be acceptable considerations in the grant of planning permission.

Fortunately, the data that our Department have show that generally planning obligations deliver many millions of pounds worth of community facilities, affordable

housing, open spaces, education facilities and other benefits each year. In by far the majority of cases, those obligations are delivered successfully. I am sorry to hear the history of my right hon. Friend's case, where that does not seem to have happened, but generally they are a useful tool. Of course, there are always exceptions—and they are to be regretted—but I cannot say more about that.

It is worth setting out the current policy and legal position. Where developers have breached their legal obligations in this regard, the planning authority has powers to take legal action to enforce them, and that is done through the courts. The local authority also has the right to carry out the obligation itself and then recover any expenses incurred from the developer in question. As with any enforcement decision, there are resource implications, and the local authority has to weigh up the best course of action in each case. I am sure that Uttlesford council, as a responsible local authority, has done that.

We are seeking to revisit the approach through which we capture this planning gain. As my right hon. Friend rightly said, it seems that the situation in his case relates to section 106 agreements, which, although well established, have grown in their extent. It is the Government's intention to seek an alternative route to capture the majority of planning gain.

We will give incentives and benefits to communities through the new homes bonus, which will enable councils to benefit financially from granting permissions. However, alongside the new homes bonus, we also intend to retain and reform the community infrastructure levy, which we envisage as the principal vehicle through which planning gain will be secured for the benefit of a community in future. That will enable a local authority to levy a charge in relation to development. We are determined to ensure—this is in the Localism Bill, which is currently before this House—that a meaningful proportion of the levy will be returned to the benefit of the community in the area of the development concerned.

Compared with the use of section 106-type planning obligations, the community infrastructure levy—or CIL—provides a fairer, and more transparent and predictable mechanism for raising contributions to the sort of facilities that we have been talking about. That will enable section 106 planning obligations to be scaled back and focus more on the site-specific issues that are necessary to enable the development to be granted planning permission, such as providing screening to protect existing houses, access roads to the site and so on. The CIL will remove much of the uncertainty around section 106 contributions. CIL rates will reflect development viability and—importantly in this context—there will be a mandatory up-front charge.

The developer will pay the CIL, so some of the difficulties with enforcing the obligations that my right hon. Friend mentioned will not arise. Our proposal will be much more straightforward for both the charging

authority and the developer, because the responsible developer will know the cost of their planning obligation—a cost that can be paid up front—and the local authority will know how much it will receive, will receive it and can then disburse it to the benefit of the community. That will have significant benefits, avoiding both the need to go through the convoluted procedures for enforcing a section 106 agreement and the possibility of applications being made to vary it, which can take a long time and be the subject of lengthy disputes—I am not entirely sure whether that occurred in this case, but it seems that it may have done.

The situation in my right hon. Friend's constituency has to be dealt with under the law as it stands, so I regret that that legislation, which is currently before the House, may be of only limited comfort. However, I hope that it is of some comfort for the future that lessons can be drawn from how section 106 agreements work. I would not want anyone to think that section 106 agreements do not work properly in the majority of cases. However, we believe that a revised CIL will be a fairer and better means of dealing with the problem and will, I hope, give residents greater certainty that if they move into a development, the sort of developments for which they hope will, in fact, take place.

Finally, my right hon. Friend's point about the views of the parish council and the neighbourhood is also important, and is a further part of the Government's reforms—in the Localism Bill and our allied planning reforms—which will involve creating neighbourhood planning. Once those reforms are in place, parish councils in areas such as Flich Green will be in a position to develop their own neighbourhood plans, which will be able to specify exactly those sorts of issues, such as where playing fields or community facilities might be. Subject to the support of the community in a referendum, that plan will be incorporated into the district council's local development framework and its development plan. In the future, therefore, communities such as Flich Green and Felsted will have the real and genuine ability to control where development goes.

I am afraid that that is a promise of better things for the future, rather than something through which I can offer immediate comfort to my right hon. Friend, but I know that he has done his constituents a great service by raising this issue in his trenchant and characteristically eloquent way. I hope that he will at least be able to say to them that the Government are taking steps for the future to make sure that planning obligations are delivered in an appropriate, effective and transparent way that is to the general benefit of communities. I am grateful to him for raising those issues with me, and I am sure that the House will appreciate it.

Question put and agreed to.

8.34 pm

House adjourned.

Deferred Division

LOCAL GOVERNMENT

That the draft Code of Recommended Practice on Local Authority Publicity, which was laid before this House on 11 February, be approved.

The House divided: Ayes 297, Noes 187.

Division No. 241]

AYES

Adams, Nigel
Alnyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Beryon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, rh Mr Simon
Burrowes, Mr David
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Cameron, rh Mr David
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Covile, Oliver
Crabb, Stephen

Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C.
(Monmouth)
Davies, Philip
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Dunne, Mr Philip
Ellis, Michael
Elliwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Griffiths, Andrew
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Heron, Lady
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Honwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Hunter, Mark
Huppert, Dr Julian
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Philip
Leech, Mr John
Leslie, Charlotte
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lloyd, Stephen
Long, Naomi
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Morgan, Nicky

Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stunell, Andrew
Sturdy, Julian
Swayne, Mr Desmond
Swinson, Jo
Syms, Mr Robert

Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tynie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Villiers, rh Mrs Theresa
Walker, Mr Robin
Wallace, Mr Ben
Waller, Mr Robert
Ward, Mr David
Watkinson, Angela

Weatherley, Mike
Wharton, James
Wheeler, Heather
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Hain, rh Mr Peter
Hamilton, Mr David
Hanson, rh Mr David
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodgson, Mrs Sharon
Hood, Mr Jim
Hopkins, Kelvin
Irranca-Davies, Huw
Jarvis, Dan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kaufman, rh Sir
Gerald

Keeley, Barbara
Kendall, Liz
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elyn
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonnell, Dr Alasdair
McGovern, Alison
McGovern, Jim
McKechin, Ann
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme (*Livingston*)
Morris, Grahame M.
(*Easington*)
Munn, Meg
Murphy, rh Paul
Murray, Ian
Nandy, Lisa

Nash, Pamela
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Perkins, Toby
Phillipson, Bridget
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Simpson, David
Smith, rh Mr Andrew
Smith, Angela
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Whitehead, Dr Alan
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

NOES

Abrahams, Debbie
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Roshanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Colley, Ann
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary

Creasy, Stella
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Davidson, Mr Ian
Davies, Geraint
Dobbin, Jim
Dodds, rh Mr Nigel
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Durkan, Mark
Eagle, Ms Angela
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Evans, Chris
Fitzpatrick, Jim
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Gapes, Mike
Gilmore, Sheila
Glendon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lillian
Griffith, Nia
Gwynne, Andrew

Question accordingly agreed to.

House of Commons

Thursday 31 March 2011

The House met at half-past Ten o'clock

PRAYERS

[MR SPEAKER in the Chair]

Oral Answers to Questions

BUSINESS, INNOVATION AND SKILLS

The Secretary of State was asked—

Apprentices

1. **Andrea Leadsom** (South Northamptonshire) (Con): What plans he has to encourage small and medium-sized businesses to take on apprentices. [49964]

5. **Justin Tomlinson** (North Swindon) (Con): What plans he has to encourage small and medium-sized businesses to take on apprentices. [49968]

21. **Andrew Selous** (South West Bedfordshire) (Con): What plans he has to encourage small and medium-sized businesses to take on apprentices. [49987]

The Minister for Further Education, Skills and Lifelong Learning (Mr John Hayes): Last week, this Government announced a new £75 million programme of training and other targeted support focused specifically on small and medium-sized enterprises to help them access advanced and higher-level apprenticeships. We also announced on Monday that we will be working to reduce bureaucracy for SMEs, making it easier for them to take on those new apprentices.

Andrea Leadsom: Will my hon. Friend join me in congratulating the Silverstone motorsport college on its outstanding Ofsted report and on the fact that 50% of its motorsport technicians get apprenticeships in this high-tech, innovative industry? What more can he do to support increasing apprenticeships in this area?

Mr Hayes: In anticipation of my hon. Friend's question, and because I know of her passionate interest in and advocacy of this subject, I have asked the National Apprenticeship Service to take further the work that I know she wants to be completed on offering a new motor race technician qualification. We will do that work, because we understand the points she makes, the value of that industry and its importance to our whole country.

Justin Tomlinson: I strongly welcome plans to expand the apprenticeships scheme further. The biggest barrier to the participation of small businesses is the lack of information, so will my hon. Friend consider moves to include promotional material in the annual business rates mailing?

Mr Hayes: That is a most welcome suggestion. I am perhaps known for my understatement, rather than my overstatement, but I do not think we can speak too loudly or clearly about apprenticeships, and that information is vital if we are to engage the businesses to create the prosperity we seek and build the opportunities we want.

Andrew Selous: Is my hon. Friend aware of the scale of the challenge facing the automotive industry, with the Institution of Mechanical Engineers saying that we need at least 10,000 apprenticeships a year for the United Kingdom to be at the forefront of the electric vehicle industrial revolution that is about to occur?

Mr Hayes: Yes, indeed. We recently announced that we are going to work with all the interested parties in the industry to bring about the kind of technological advance to which my hon. Friend refers. This is a real potential area for growth and we are determined, with the industry, to make that growth happen.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): The Minister will know that we are all in favour of apprenticeships these days—we welcome the coalition to the cause—but the fact is that this is all something of a fig leaf, given that all the other education policies seem to be falling apart. Higher education is in meltdown, but all we hear about is apprenticeships and the university technical colleges. This is a fig leaf covering up the lack of policy across the whole education and skills debate.

Mr Hayes: I would hardly plead guilty for my advocacy of the causes that the hon. Gentleman highlights, but I can assure him that this is part of a coherent and holistic approach that means that everyone will get their chance of glittering prizes.

Alison McGovern (Wirral South) (Lab): The Minister will know that the number of apprenticeships in this country was just 65,000 in 1996. It has increased to nearly 280,000 now, but young people face worse unemployment than ever and growth is down. He will not set a target for the number of apprenticeships, but what will he do if the number falls back?

Mr Hayes: The hon. Lady rightly identifies that apprenticeships and pre-apprenticeship training can provide an important vehicle to bring people from disengagement to engagement. That is why my right hon. Friend the Secretary of State for Education has cemented the work done in the Budget to create those extra apprenticeships for people moving from the very circumstances the hon. Lady describes to the skills and success they deserve.

Mr Andrew Love (Edmonton) (Lab/Co-op): The Government's flagship policy on employment and small businesses is the national insurance holiday for all companies outside London and the south-east. We heard only yesterday from Treasury officials that that has created only thousands of jobs, so is it time to go back to the drawing board on this policy?

Mr Hayes: I learned long ago never to pitch above my pay grade or outside my purview, and I rather suspect that that question might be both.

Low-carbon Technologies

2. **Tony Lloyd** (Manchester Central) (Lab): What steps he is taking to promote expenditure on the manufacture of low-carbon technologies in each region. [49965]

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): The Government are supporting a range of projects across the country including offshore wind, nuclear manufacturing, low-carbon vehicles and marine energy.

Tony Lloyd: It is self-evident that if every part of this country is to take advantage of the strong future in low-carbon technologies, we need investment in skills and research and, of course, access to finance. We heard some platitudes in answer to the first set of questions from the Minister's colleague, but will the Minister tell us in hard terms what will be done to ensure that young people get those skills, that we have the research and that we have access to a finance system that knows that technologies north of Watford are worth investing in?

Mr Prisk: I refer the hon. Gentleman to what the Budget set out very clearly last week, but let me give him the tangible example he requests. The technology innovation centre for advanced manufacturing is designed specifically to ensure that clusters where we have excellence can be enabled. It will help Rotherham, Coventry, Sedgfield, Bristol, Strathclyde and Redcar. I hope he welcomes that support.

Dan Rogerson (North Cornwall) (LD): Given the consultation on changes to feed-in tariffs and the effect it might have had on decisions about solar investment, will the Minister work with his colleagues in the Department of Energy and Climate Change to examine what might be done to consider alternative ways of stimulating the manufacturing and assembly of solar equipment in this country?

Mr Prisk: Solar power is important and I am well aware that it is of paramount importance in Cornwall. We are working with our ministerial colleagues, but I would welcome any contribution from my hon. Friend.

Mr Pat McFadden (Wolverhampton South East) (Lab): We are about to enter a new financial year, so will the Minister take the opportunity to reconsider the Government's denial of the loan to Sheffield Forgemasters that the Labour Government planned to boost our position in civil nuclear trade? More broadly, will he confirm that the Government are still committed to a new generation of nuclear power stations, given the awful unfolding tragedy in Japan and the comments made by the Deputy Prime Minister to journalists?

Mr Prisk: Our commitment is clear and the right hon. Gentleman knows exactly where the Government stand. We have debated the question of affordability and Sheffield Forgemasters before, but I would say to the right hon. Gentleman and to Labour Members that we have the regional growth fund and we have worked with a range of businesses, including the business to which he refers, and we are happy to ensure that they have the chance to bid for that money as that part of the fund develops.

World Trade

3. **Stephen Metcalfe** (South Basildon and East Thurrock) (Con): What steps he is taking to increase United Kingdom Trade and Investment's share of world trade. [49966]

The Secretary of State for Business, Innovation and Skills (Vince Cable): UK trade increased by 55% in real terms between 1998 and 2008. None the less, the relative share of world trade declined from 5.7% to 3.9%. Our recent trade and investment White Paper sets out how we will assist exporters, focusing UKTI and new trade finance products on small and medium-sized enterprises.

Stephen Metcalfe: A businessman in my constituency has traded successfully in north Africa for many years, but now does not know when his invoices will be paid, which affects his cash flow and business viability. Will my right hon. Friend consider introducing some form of payment guarantee scheme that will give SMEs the confidence to increase their share of world trade in the knowledge that they will be paid for it?

Vince Cable: I am aware of the firm that my hon. Friend describes and of its difficulties in Libya. If companies are operating in difficult markets, such as Libya, they are advised to take out trade insurance. Where the market cannot provide that, the Export Credits Guarantee Department will underwrite it. We are expanding the range of ECGD products and the Treasury has authorised payments to companies in Libya for which insurance is due.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): Over the next four years, UKTI is set to have its budget cut by some 17%. The schemes most commended by the CBI are passport to export and gateway to global growth. Will the Minister give an assurance that among the budget cuts those services will be protected?

Vince Cable: I can assure the hon. Gentleman that UKTI is capable of and committed to providing an increased range of activities and a better service even within its budget.

Tim Farron (Westmorland and Lonsdale) (LD): More than 50% of dairy farms in the UK closed under the Labour Government yet demand for dairy products across the world is rocketing. Will my right hon. Friend the Secretary of State set out what proposals we have to launch an ambitious plan to export dairy products across the world?

Vince Cable: Many of the problems of the dairy industry relate to the system of EU common agricultural policy financing, but I will look at the specific issue described by my hon. Friend and see what we can do to promote it.

Enterprise Zones (North-east)

4. **Mrs Sharon Hodgson** (Washington and Sunderland West) (Lab): What discussions he has had with the North Eastern local enterprise partnership on the location of proposed enterprise zones; and if he will make a statement. [49967]

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): Last Thursday, I was in the north-east and met the North Eastern local enterprise partnership. We had a very useful discussion about the way in which enterprise zones will help the growth of the local economy and I was encouraged by the positive response I received.

Mrs Hodgson: I am very pleased to hear that the Minister got a positive response—I would expect nothing less of the friendly north-east. The Chancellor said in his Budget statement last Wednesday that there would be an enterprise zone on Tyneside, but the Red Book refers to an enterprise zone in the North Eastern local enterprise partnership, and I am sure the Minister is aware that they are not one and the same. The Secretary of State for Energy and Climate Change told the *Sunderland Echo* that Sunderland had a really good chance of getting an enterprise zone. Will the Minister confirm that the Chancellor misled the House last week and that a decision has not yet been made on where—

Mr Speaker: Order. I am sure the hon. Lady means “inadvertently” misled.

Mrs Hodgson: Of course, inadvertently.

Mr Prisk: Well, I am glad we cleared that up, Mr Speaker. I can make it very simple for the hon. Lady: we are not going to impose a command and control model. We are working with local enterprise partnerships and we have offered zones where LEPs would like to locate them within their areas. We will discuss this with partnerships in the north-east and elsewhere.

Mr Speaker: I call Mr Zahawi, on the subject of the north-east from the vantage point of Stratford-on-Avon.

Nadhim Zahawi (Stratford-on-Avon) (Con): Like the North Eastern local enterprise partnership, Coventry and Warwickshire local enterprise partnership would very much like to talk to the Minister about our proposal for an enterprise zone—

Mr Speaker: Order. That was a nice try but the hon. Gentleman's question must specifically relate to the north-east, about which I thought the hon. Gentleman probably had extensive knowledge.

Mr Nicholas Brown (Newcastle upon Tyne East) (Lab): Is not the danger of the Minister's enterprise zone policy that it enriches landlords and developers by drawing economic activity from one area to another? When considering locations for the north-east, will he focus on the creation of jobs in industrial areas?

Mr Prisk: We are absolutely committed to doing precisely that. I am sorry that the right hon. Gentleman is quite so negative; that is not what they are saying in Sunderland and Salford.

Citizens Advice

6. Barbara Keeley (Worsley and Eccles South) (Lab): What recent discussions he has had with ministerial colleagues on the future levels of Government funding to Citizens Advice; and if he will make a statement.

[49970]

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): Last month I met the Minister with responsibility for civil society, the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Ruislip, Northwood and Pinner (Mr Hurd), and other Ministers with an interest in advice services to co-ordinate our national efforts. The Department for Business, Innovation and Skills has already agreed to protect the core funding for the umbrella organisations Citizens Advice and Citizens Advice Scotland.

Barbara Keeley: I thank the Minister for that answer, which I did not hear much of. Walkden citizens advice bureau, which is in Salford, serves an area that is among the 7% most deprived in the country, and has done since 1939, but it is now under threat because of uncertainty about funding and because of cuts. Will the Minister call a halt to the cuts in funding for advice services, and will he conduct an urgent review on the future of the funding of those vital organisations?

Mr Davey: The hon. Lady will know that local citizens advice bureaux are funded by local authorities and that the Government have called on local authorities to play their part, as the national Government are playing their part, and to pass on funding to CAB services. Those services are very important and are valued, and we are looking to all local authorities to play their part.

Nia Griffith (Llanelli) (Lab): At a recent meeting I chaired, representatives from individual CABs and other advice centres from across the country gave the loud and clear message that the current uncertainty about the funding of advice services means that advice service centres are closing their doors, expert advice workers are being made redundant and vulnerable people will soon have nowhere to turn for advice. It is all very well the Minister's blaming the closure of individual CABs on local government decisions, but those decisions are often taken in the light of extreme uncertainty about the future of other funding streams. His Government admits that there is much cause for concern, so why has he not sought an immediate moratorium on all cuts to Government funding streams for advice services for the coming financial year in order to allow time for a longer-term strategy to be developed?

Mr Davey: I am very surprised that the hon. Lady did not mention the £27 million that the Government announced last month for face-to-face debt advice. That has been strongly welcomed by citizens advice bureaux across the country, and I would have thought that she would have given us credit.

Andrew Percy (Brigg and Goole) (Con): The CABs in Goole and Scunthorpe provide excellent advice to my constituents on debt-related issues. While I welcome the money that has been announced, is it not time that we tried to achieve a national approach? CABs have a battle, year in, year out, to secure funding, which clearly does not help our constituents.

Mr Davey: As I said in my initial response, we are working across government with other Ministers to make sure that we co-ordinate national efforts. We will soon respond to the call for evidence on personal consumer credit and personal insolvency, which will deal with issues such as debt advice.

Apprentices

7. **Kevin Brennan** (Cardiff West) (Lab): What recent assessment he has made of the attitudes of employers to taking on apprentices. [49972]

The Minister for Further Education, Skills and Lifelong Learning (Mr John Hayes): With over 85,000 employers offering apprenticeships, it is clear that many businesses already recognise the associated benefits of improved business and personnel performance. The evidence of strong demand is supported by research. The findings of the skills economy research from July 2010 are that 83% of employers rely on their apprenticeship programme to provide the skilled work force that they need.

Kevin Brennan: The Minister has been quite generous in the past about the work done by Ministers in the previous Government, including me, on apprenticeship numbers, and he has made a commitment to build on that. Does he have any concerns about the targets on apprenticeships over the coming period, given the pretty dire figures on GDP for the economy?

Mr Hayes: The hon. Gentleman, like me, is fond of Yeats, who said:

"Do not wait to strike till the iron is hot; but make it hot by striking."

That is what we have done. The hon. Gentleman is right. I have followed him, and he is a hard act to follow, because he was a very competent Minister. I can tell the House—and I know that you, Mr Speaker, will be pleased to hear it—that the Statistical First Release published today illustrates that we are likely, or certainly on target, to reach the ambitions I have set out, which is good news for the hon. Gentleman, good news for me and good news for Britain.

Robert Halfon (Harlow) (Con): Is my hon. Friend aware that the number of 16 to 18-year-olds taking apprenticeships in Essex has increased by 44% over the past year, and that Essex council and Harlow college are investing £100,000 in 50 apprenticeships for people from poorer backgrounds? Will he look at rolling out that scheme across the country?

Mr Hayes: I know of the good work done by my hon. Friend and by Harlow college. He will wish to know that there was a 20% increase in apprenticeship starts in 2010-11 compared with the same period in the previous year. That is because of the work of organisations such as Harlow college and the advocacy of hon. Members such as my hon. Friend.

Mr Mike Weir (Angus) (SNP): Over the past few years, the oil and gas industry in north-east Scotland has created many new apprenticeships and skilled many new workers for the future. Does the Minister accept that that has been put at risk by the massive tax increase announced without any consultation in the Budget?

Mr Hayes: The figures will speak louder than any words—the hon. Gentleman's words or even my own.

Adult Vocational Learning

8. **Mr David Evennett** (Bexleyheath and Crayford) (Con): What steps he is taking to increase the status and prestige of adult vocational learning. [49973]

The Minister for Further Education, Skills and Lifelong Learning (Mr John Hayes): The aesthetic of vocational learning is at the very heart of our ambitions. I want apprenticeships to become the primary work-based learning route and apprentices to be recognised for their achievements. For too long, we have allowed the myth to be perpetrated that only academic accomplishment can lead to work. That is not so, and it is certainly not so for this Government.

Mr Evennett: I congratulate my hon. Friend on the work he has done in this area, and I thank him for that answer. However, does he agree that community and vocational courses are absolutely invaluable, not only for career advancement and upskilling but for younger people not in education, employment or training.

Mr Hayes: Yes, we spoke earlier about the importance of using those skills to create a bridge from disengagement to engagement. No one has been a doughtier champion of the need to stand up for those people than my hon. Friend. That requires a raising of the status of apprenticeships, but it also requires better progression, which is why I want to build an accessible, navigable and seductive vocational ladder that people can climb.

Helen Jones (Warrington North) (Lab): May I ask the Minister what discussions he has had with his counterparts in the Department for Education? The Secretary of State for Education consistently downgrades vocational qualifications in school. We cannot expect adults to value vocational education if we do not value it throughout the system. Is there not a disjunction in Government policy?

Mr Hayes: I am, for the purposes of this conversation at least, the Department for Education, and I can assure the hon. Lady that the Secretary of State for Education is wholly committed to this route. Indeed, his oral statement to the House earlier this week cemented and reinforced his commitment to apprenticeships and vocational learning.

Life Sciences

9. **George Freeman** (Mid Norfolk) (Con): What steps he is taking to support the commercial development of life sciences through industry partnerships. [49974]

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): The Budget included a plan for growth for life sciences, including the development of a new technology innovation centre, the speeding up and reforming of clinical trials and the establishment of research partnerships to support the new model of open innovation and collaboration in the industry.

George Freeman: I thank the Minister for his reply and congratulate him on his commitment to business. Last week's Budget set out a clear strategy for growth based on science, innovation and enterprise, particularly

in my area, the biotech corridor between Cambridge and Norwich. Does he agree that the challenge is to ensure that our leading research institutes link up with industry so that our science is driven around the world in the three biggest markets: food, energy and medicine?

Mr Prisk: My hon. Friend is an outstanding champion in this field, and I was pleased that we were able to support Norwich research park in that context, for which he has fought and argued for many months. Our plan is about accelerating innovation, investing in the way collaboration takes place and ensuring that we retain this country's world-class role in life sciences and biotechnology.

Fuel Costs

10. **Mr Peter Bone** (Wellingborough) (Con): What recent discussions he has had with the Secretary of State for Energy and Climate Change on the effects on businesses of trends in the cost of fuel. [49975]

The Secretary of State for Business, Innovation and Skills (Vince Cable): I recently discussed the rising cost of energy with my counterpart at the Department of Energy and Climate Change to assess the cumulative burden of climate change policies and see what the Government can do to secure the competitiveness of energy-intensive industries as we decarbonise the economy.

Mr Bone: We have an absolutely splendid coalition team in DBIS, led by a fantastic Secretary of State. In the past, energy was always the responsibility of the Business Department. Surely it should come back to that Department so that we can send out the message that we do care about business in relation to energy—and I could not think of a better set of people to look after it.

Vince Cable: I am very flattered by the suggestion, if a little surprised, but I am already fully employed with my existing duties. In my recent conversation with my counterpart at DECC, we agreed that considerable progress had been made with Ofgem's recent report on opening up competition and benefiting consumers, both industrial and personal.

Angela Smith (Penistone and Stocksbridge) (Lab): Energy-intensive industries in my constituency, of which there are many, are worried about the cumulative impact of regulations relating to a carbon floor price on their competitiveness. Is the Secretary of State having discussions with the Treasury and DECC to ensure that our industries do not lose out to foreign competition?

Vince Cable: I am doing just that. On Monday I was in Port Talbot to talk with Tata Steel about that exact question. It is absolutely right that the Government press ahead with our ambition to decarbonise the economy, but the system of tax and regulation is complex and we must structure it in a way that supports our energy-intensive industries.

Business Regulation

11. **Harriett Baldwin** (West Worcestershire) (Con): What steps he is taking to reduce the level of regulation of businesses. [49976]

16. **Gavin Williamson** (South Staffordshire) (Con): What steps he is taking to reduce the level of regulation of businesses. [49982]

The Secretary of State for Business, Innovation and Skills (Vince Cable): We have introduced the one-in, one-out rule to stem the flow of new regulation. We have also introduced sunset clauses on new domestic regulation, stopped gold-plating EU directives and launched a consultation on tribunals. In the Budget we announced a three-year moratorium on new regulation for micro-businesses. We will shortly launch a public review of the existing stock of over 21,000 regulations.

Harriett Baldwin: I welcome all those measures, but spin-offs and start-ups in West Worcestershire are discovering that in order to win Government procurement contracts they need to have accounts for the past two years, and I wonder whether the Secretary of State would urgently review that.

Vince Cable: We are taking steps to open up public procurement for the kinds of small spin-offs the hon. Lady describes. There is, of course, an aspiration to increase public procurement from SMEs to 25%. At the beginning of the year the pre-qualification questionnaires, which were appallingly complex, were simplified, and they will shortly be removed altogether from companies trading at over £100,000.

Gavin Williamson: Will my right hon. Friend assure the House that he will work very closely with industry to tackle increasing environmental regulation, which has already been touched on, especially that coming over from the European Union, so that we do not have uncompetitive industries?

Vince Cable: Environmental regulation is covered by the moratorium that I have just described. Of course, if it is European Union regulation, we cannot unilaterally disband it, but we can ensure that there is no gold-plating, which is why we are following a minimal copying-out procedure for EU legislation.

Nick Smith (Blaenau Gwent) (Lab): The regulation of business is important for promoting employment. In my constituency, youth unemployment is 30%, which is way too high, so will there be an enterprise zone to look at business regulation and employment in the south Wales valleys?

Vince Cable: As I discovered when I discussed the matter with them on Monday, the Welsh Assembly Government have responsibility for designated enterprise zones. I hope they will follow the model we are pursuing in England, and indeed we strongly commended it to them.

Gordon Banks (Ochil and South Perthshire) (Lab): The Secretary of State's very own figures show that he is not a deregulator but a regulator. It is 53-in, 3-out, not one-in, one-out, but apparently there is hope on the horizon, because he is going to repeal another regulation—one introduced to seize German-owned property after the war. I am sure Chancellor Merkel will be happy about that, but the point will be lost on UK business.

We hear from the Secretary of State about his plans to review 21,000 business regulations, but at this rate it will take more than 7,000 years to achieve that aim—and looking at the Secretary of State I do not think he has the time on his side. When will he ditch his rhetoric and begin practising what he preaches before it is too late?

Vince Cable: The regulations that related to my Department were either European or related to the implementation of the minimum wage. I know the Opposition are showing considerable political versatility at the moment, but I did not think that they had got around to demanding the abolition of the minimum wage.

Company Profits (Reporting)

12. Margaret Curran (Glasgow East) (Lab): What discussions he has had with his international counterparts on steps to increase transparency in the reporting of company profits. [49977]

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): I, personally, have not had any recent discussions with my international counterparts on the matter, but the Government are committed to greater transparency through corporate reporting. Internationally, the Treasury is leading the Government's efforts with the Organisation for Economic Co-operation and Development's task force on tax and development, which is exploring the issues of country-by-country reporting on tax and profits.

Margaret Curran: In the light of his answer, the Minister will be aware of the OECD's recognition that poor countries lose more money each year to corporate tax-dodging than they receive in aid, and Christian Aid estimates that to amount to \$160 billion. May I ask him to have a conversation with the Secretary of State? The right hon. Gentleman said in opposition:

"New accounting standards are needed to force multinational companies to declare publicly the profits they make and the taxes they pay in every country in which they operate. That way anomalies will be quickly spotted."

Can I reasonably assume that, in the light of his commitment to the issue, the Government will raise it at the G20 in November?

Mr Davey: I think that the Government—both my right hon. Friend the Secretary of State and the Chancellor—actually have a very good record on the issue. We are contributing to the OECD taskforce, because it is about ensuring not just that UK companies report their profits as they need to, but that we improve corporate performance throughout the world.

Dame Anne Begg (Aberdeen South) (Lab): What guarantees can the Government give for those companies that report their profitability transparently that, at the next Budget, the Treasury will not come along and, completely out of the blue, wallop them with a great windfall tax, as it just has with the offshore oil and gas industry?

Mr Davey: That was a very good attempt by the hon. Lady, who is obviously trying to champion her constituency, and that is exactly right, but I am sure she will attend the next Treasury questions.

Student Loans

13. Anna Soubry (Broxtowe) (Con): What recent assessment he has made of the administrative efficiency of the student loans system. [49979]

The Minister for Further Education, Skills and Lifelong Learning (Mr John Hayes): The service provided by the Student Loans Company in the desperate, dying days of the previous Government was woeful, and it led to an independent report that said so. We replaced the chairman of the company immediately after we entered office, and I am pleased to report that the SLC answered more than 95% of telephone calls in the peak period from August to September 2010, compared with just 13% during a similar period in the previous year.

Anna Soubry: I am very grateful to the Minister for that response and to hear of those improvements. I have had a number of complaints from families in my constituency about repeated requests for information. Will the Minister assure families in constituencies such as mine and, indeed, throughout the United Kingdom that they will not have to suffer as they have because of past inefficiencies?

Mr Hayes: My right hon. Friend the Minister for Universities and Science is absolutely determined that the service provided by the Student Loans Company should be up to scratch. I can tell the House, and my hon. Friend, that 99% of applications received from students who applied by the relevant deadlines with the correct documentation were ready for payment at the start of term. This is real progress, but we are not complacent, and we will always insist that we do the very best with the Student Loans Company.

Science and Research

14. Stephen Mosley (City of Chester) (Con): What recent representations he has received on the future funding of science and research. [49980]

The Secretary of State for Business, Innovation and Skills (Vince Cable): During the allocation of science and research funding, BIS consulted the national academies, business groups and universities and agreed a flat-cash ring-fenced settlement for science and research of £4.6 billion a year for 2011-15. In the Budget, the Government invested a further £100 million in science capital, including £10 million at Daresbury.

Stephen Mosley: I welcome the announcement in last week's Budget of the extra £100 million in capital spending, including the £10 million at Daresbury. Will my right hon. Friend confirm that that £100 million comes from the permanent bank levy, which was introduced by this coalition Government against opposition from Labour Members?

Vince Cable: I can confirm that. Of course, the bank levy has a good economic basis because it is the payment that the banks make for the protection that the state provides for banks that are too big to fail. The £100 million is new money—new capital investment—and I am delighted that my hon. Friend's campaign for Daresbury has borne fruit in this way.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): In November, the Chancellor took £1.4 billion out of capital investment for science. Last week, he gave back about £100 million—strangely, all of it to Conservative constituencies. Our country's leading reputation in science deserves better than that. When this week's Royal Society report, "Knowledge, networks and nations", spelled out the rise of China, India, Korea and Brazil as science superpowers, it was unable to set out the UK's long-term plan because there is not one. Will the Secretary of State prevail on the Chancellor to agree a long-term plan for science funding, as we had under Labour?

Vince Cable: There is a long-term plan for science funding. The hon. Lady obviously has not followed the comments that were made by the Royal Society and many others in the science community welcoming the flat-cash settlement and the ring-fencing of the science budget.

Tuition Fees

15. Diana Johnson (Kingston upon Hull North) (Lab): How many universities he expects to charge less than £7,500 in tuition fees from 2012. [49981]

The Secretary of State for Business, Innovation and Skills (Vince Cable): No university wishing to charge over £6,000 yet knows for certain how much it will charge, since no university has yet signed an access agreement with the Office for Fair Access. We expect there to be a wide range of charges, and those institutions discussing higher charge levels all look set to include substantial waivers for students from poorer backgrounds.

Diana Johnson: Hull university is reported to be planning to charge up to the £9,000 limit. Combined with this week's announcement about the slashing by two thirds of the education maintenance allowance support to students, how will this help to attract more students from areas such as Hull to university, bearing in mind the excellent progress that was made under the Labour Government?

Vince Cable: As the hon. Lady knows, and as we have discussed many times in this Chamber, the introduction of graduate contributions at the level we have will ensure that universities are indeed properly funded and maintain funding at world-class levels.

Simon Hughes (Bermondsey and Old Southwark) (LD): Is my right hon. Friend still reminding universities that it is unreasonable of them to charge fees significantly above the cost of providing the course and asking them to make sure that when they set their final fees in the coming weeks, they honour the cost that they said they would charge some months ago?

Vince Cable: May I first thank my right hon. Friend for the extraordinarily useful work that he has been doing on social mobility? On his question, the Browne report estimated that universities would need to charge something in the order of £7,500 simply to replace their income, but no more, and that if they made the kind of efficiencies that other institutions are effecting, it could be as little as £6,000.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): We have had the damaging row over student visas—still not sorted—and a Treasury growth paper that largely ignored the central role that universities have to offer for our economic future. However, the most serious problem is the considerable hole the Government are now staring at in their higher education budget—all because they ignored the many independent experts who warned, even before the tuition fees vote, that universities would charge close to the maximum fee level. Given the huge uncertainties facing university finances, all of them Government-created, does the Secretary of State not recognise that this House is entitled to know how that funding gap will be plugged?

Vince Cable: First, the hon. Gentleman is terribly behind the times. He may not have listened to the Home Secretary's statement on student visas, but she made it absolutely clear that there is no cap on student visas and that the study to work route is still available for overseas students. The universities have acknowledged that. There is no hole in the finances. If he had followed the public announcements that universities have made, he would have seen that of the 36 that we are aware of, 13 propose to charge up to the maximum. That is well below the 80% quoted by the Leader of the Opposition yesterday. Of those universities, many will have substantial fee remission on the Oxford model.

Mr Rob Wilson (Reading East) (Con): I have discussed on many occasions with the Minister for Universities and Science my view that Governments should avoid unnecessary interference in universities. The enhanced role given to OFFA is causing great unease in the sector and among some Government Members. Will the Secretary of State clarify the powers that OFFA has and how it will be expected to deploy them in relation to universities that set fees above £6,000?

Vince Cable: I think that there is complete clarity. I set out the position in a letter that I sent to OFFA some weeks ago, which is available and which I can certainly make available to the hon. Gentleman. It is absolutely right that, in return for being allowed to charge the higher fee levels, universities should make the maximum possible access available to people from disadvantaged backgrounds. There is a particular problem with traditional universities, where social mobility declined in the last decade. We are determined to overcome that.

Small and Medium-sized Enterprises

17. David Rutley (Macclesfield) (Con): What plans he has to increase levels of employment in small and medium-sized enterprises. [49983]

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): Small businesses are vital to the economy and to future employment. That is why we have tackled the cost of employment by reversing the last Government's plans for a payroll tax increase, and why the Under-Secretary of State for Business, Innovation and Skills, my hon. Friend the Member for Kingston and Surbiton (Mr Davey) has launched a comprehensive review of employment law to make the system easier and fairer for employees and employers.

David Rutley: I was pleased to see that the Federation of Small Businesses welcomed the Government's three-year moratorium on new domestic legislation for micro-businesses. Will my hon. Friend assure the House that that and other measures to reduce the regulatory burden and increase job creation by small and medium-sized enterprises will be taken forward at pace, and that there will be regular updates to the House on their progress?

Mr Prisk: I am delighted to confirm that to the House. Those measures are crucial. We have to remember that under the previous Government, the proportion of employers who were small businesses dropped from well over a third to well under a quarter, and that was in a period of growth. We need to ensure that we reverse that trend.

Robert Ffello (Stoke-on-Trent South) (Lab): One way to increase employment in small and medium-sized businesses in Stoke-on-Trent would be for us to have an enterprise zone. Following the Prime Minister's very positive response to a question from my hon. Friend the Member for Stoke-on-Trent North (Joan Walley) yesterday and the extensive meetings that north Staffs MPs have had with the Secretary of State, can the Minister give some comfort to people in north Staffordshire that the local enterprise partnership will be looked on favourably, and could we have a meeting?

Mr Prisk: The hon. Gentleman is right that enterprise zones will be advantageous for small businesses. There is a second opportunity for 10 further enterprise zones. We are happy to talk to the local enterprise partnership in that area to ensure that it is able to put forward a positive dialogue. If the hon. Gentleman and other Members wish to participate in that, I suspect that my diary secretary will not be thrilled, but I shall be happy to see them.

Corporate Social Responsibility

18. Bridget Phillipson (Houghton and Sunderland South) (Lab): What recent discussions he has had with his G20 counterparts on corporate social responsibility. [49985]

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): I have had no such discussions in the context of the G20. However, in January, I met Professor Ruggie, the UN special representative on business and human rights. The Government welcome the guiding principles developed by Professor Ruggie and will work to build consensus for their adoption.

Bridget Phillipson: I thank the Minister for that answer. In opposition, the Secretary of State was a keen supporter of global action to tackle corporate tax dodging in developing countries, but the Department's recent White Paper did not include a single reference to it. When will the Government put that right?

Mr Davey: The hon. Lady was not listening to the answer that I gave a few moments ago to her colleague, the hon. Member for Glasgow East (Margaret Curran). The Government are working hard with the OECD taskforce on tax and development, because we want greater transparency in the reporting of profits and tax.

Mr Speaker: Liz Kendall. Not here.

Groceries Code Adjudicator

20. Neil Carmichael (Stroud) (Con): What progress he has made on the implementation of his proposals for a groceries code adjudicator. [49986]

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): The groceries code adjudicator Bill is being drafted. I had hoped to publish it before Easter, but now I expect that publication will happen soon after Easter.

Neil Carmichael: I thank the Minister for that encouraging reply. Farmers in my constituency are very anxious to see the introduction of an adjudicator. Will it have sufficient powers to impose financial penalties if there is persistent avoidance of the code of practice?

Mr Davey: When we publish the Bill, the hon. Gentleman will see that we wish to have a reserve power for the adjudicator on penalties, but there is also a real case to be made for the adverse publicity that large supermarkets would face if they breached the groceries supply code of practice.

Jim Shannon (Strangford) (DUP): Last week we had a debate in Westminster Hall on the pig industry, and Members indicated clearly that if there was no immediate action to restore the balance between supermarkets' profits and the profitability of farmers, many farmers would go out of business. What steps is the Minister taking to ensure that that does not happen?

Mr Davey: I may have to refer the hon. Gentleman to Ministers in the Department for Environment, Food and Rural Affairs, who are obviously responsible for agriculture. We should be clear that the groceries code adjudicator will not be a price regulator—that has never been proposed. It will be there to enforce the groceries supply code of practice. That is very important, because it is in the interests not just of the producers and farmers who supply the large supermarkets but of consumers.

Topical Questions

T1. [49988] Kevin Brennan (Cardiff West) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for Business, Innovation and Skills (Vince Cable): My Department has a key role in supporting business to deliver growth, rebalancing the economy, bringing enterprise, manufacturing, training, learning and research closer together and, in the process, creating a stronger, fairer British economy.

Kevin Brennan: On tuition fees, has the Secretary of State read the reports of the Deputy Prime Minister's visit to Mexico, where he was humiliated first by a Mexican student who said that he could no longer afford to come and study in Britain, and then by the Mexican President, who said that British students should go to study in Mexico instead? Is the Secretary of State in any way embarrassed by the fact that his policy on tuition fees has become a laughing stock across the world?

Vince Cable: I was not in Mexico, I was in another country—Wales—discussing the issue. The simple truth is that, as I am sure we have communicated to the Mexican authorities, Mexican students are welcome to come to this country and there is no cap on the number of overseas students.

T3. [49991] David Rutley (Macclesfield) (Con): The Macclesfield, Richmond and Wandsworth chambers of commerce are developing local mentoring schemes to help better support smaller businesses, and have submitted a related bid to the regional growth fund. Does the Minister agree that such approaches deserve serious consideration and will provide important insights to other local communities?

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): I would be wise not to over-promote a live bid to the regional growth fund, but my hon. Friend is absolutely right that business-to-business mentoring is the best way forward. That is why we are developing a national scheme, and the contribution in the areas that he mentions sounds eminently sensible.

Mr John Denham (Southampton, Itchen) (Lab): We would not have destroyed regional development agencies in the chaotic and Maoist manner that the Secretary of State has described, but as a constructive Opposition, we have proposed that RDA assets be transferred to local economic partnerships to promote growth and jobs. Will he confirm that many RDAs, including those in the north-west, the east midlands, the south-west, Yorkshire and Humberside and the south-east have also proposed that assets be transferred to local authorities in LEP areas, which will pay for them as jobs and growth are created? Why has he blocked those transfers?

Vince Cable: In our Dengist phase, the LEPs are doing extremely well in constructing business-led leadership at local level. The process by which RDA assets are allocated is set out in the White Paper. As the right hon. Gentleman will know, some of the RDAs have negative net worth, so the issue of asset distribution does not apply. There will be different allocations, and my departmental officials are working through the RDAs' legacy carefully.

Mr Denham: The Secretary of State does not seem to know what is on his own website, which makes it very clear that he has blocked the transfer of those assets to local authorities. Will he confirm that the assets of RDAs that will now be sold will be worth more than the investment in enterprise zones? Is not the Conservative leader of Fareham council, who heads the Solent LEP, right when he says:

"Selling them at this time in the economic cycle is the worst possible solution. Treasury is looking for quick wins but that will undermine the growth agenda. We are meant to be focusing on growth but that will undermine the growth agenda?"

Why does the Secretary of State believe that Whitehall knows best, or has he been overruled yet again by the Treasury, who are the people who really run his Department?

Vince Cable: The right hon. Gentleman seems to have forgotten that those are taxpayers' assets, the disposal of which should be done in a way that produces best

value for money for the taxpayer. Some will be disposed of and sold, and some will be transferred when that will produce a good outcome. The process is being carefully worked through at departmental level, and it will produce a sensible outcome that remains supportive of local initiatives through the local enterprise partnerships.

T5. [49993] Harriett Baldwin (West Worcestershire) (Con): The funding for technology innovation centres is extremely welcome. Will the Secretary of State update me on any representations he has received on a bid from Malvern to the Technology Strategy Board?

Vince Cable: Technology innovation centres are proving extremely welcome in the research community because they represent a bridge between academic research and business application. The first of those—the advanced manufacturing TIC—has been launched, and I went to Rotherham at its outset. Others are being prepared, and I am sure that the one in my hon. Friend's constituency will be carefully considered by the TSB.

T2. [49990] Mr Clive Betts (Sheffield South East) (Lab): On enterprise zones, do the Government agree that it is important that subsidies are not simply given to jobs and development that would have happened anyway? It is fairly easy to see how the Government could stop, and take measures to prevent, a firm from simply transferring to an enterprise zone with public money, but if a firm decides to expand into an enterprise zone, or if a new firm is created in one, how can the Government ensure that money is not simply given to a development and jobs that would have existed without the subsidy?

Mr Prisk: Care needs to be taken in respect of the displacement effects of this policy, and indeed any other spatial economic policy, because of the danger to which the hon. Gentleman alludes. We are working deliberately with local enterprise partnerships to minimise that danger, and looking to ensure that we understand the dynamics of the economy in those areas. That is why the whole Government are ensuring that we do not simply impose the policy from the centre, but work with enterprise partnerships.

T6. [49994] Elizabeth Truss (South West Norfolk) (Con): Since 1997, the proportion of A-level students studying core academic subjects has fallen, despite the fact that those subjects are preferred by universities. I think that that is partly down to the equivalence of UCAS points and the league tables. What action will the Minister take to ensure that universities make specific subject offers rather than points offers, and that they publish students' results?

The Minister for Further Education, Skills and Lifelong Learning (Mr John Hayes): My hon. Friend knows that universities are independent organisations and that they decide which offer they make to applicants. Nevertheless, the Government are working with UCAS to explore how it can publish for each course the most popular qualifications of previously accepted applicants. We welcome the Russell group publication, "Informed Choices", which includes advice on subjects. Universities, as Disraeli said, should be places of life, liberty and learning.

T4. [49992] Yvonne Fovargue (Makerfield) (Lab): There are still high numbers of rogue operators in the fee-paying debt management industry and they often charge high amounts and pay not one penny to creditors. Does the Minister agree with the argument advanced in Wednesday's *Daily Mirror* by the free advice sector that it is no longer tenable to stand by and fail to protect vulnerable individuals from those companies?

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): The hon. Lady is right to raise this matter. She will know from her time working in the citizens advice bureau in her area how significant this matter is. Some debt advice agencies out there—frankly—do not act in an acceptable way. We are considering this issue under the consumer credit and personal insolvency review, and will make an announcement after the Easter recess.

T9. [49997] Bob Blackman (Harrow East) (Con): I am all in favour of encouraging enterprise and start-up businesses. However, what will my hon. Friend do about the current scandal of businesses trading, taking people's money, closing down overnight, then starting up the next day with the same directors and defaulting on all due payments? That is a scandal in society and we must stop it.

Mr Davey: My hon. Friend is exactly right, so I hope he welcomes the statement that I have made today on this very issue. Following a consultation launched by the previous Government, we have concluded that action needs to be taken on phoenix companies when assets are sold to connected parties without open marketing. Our proposals, which are in the statement, include insolvency practitioners giving three days' notice to all creditors before the sale, which we think will be valuable.

T7. [49995] Alex Cunningham (Stockton North) (Lab): The proposed changes to the feed-in tariff for solar energy projects has dealt the industry a massive body blow and left in tatters plans by Norton sports and social club in my constituency to build one to finance their community work. How many more projects have been deferred, and what does the Secretary of State have to say to this job-creating industry?

Vince Cable: As the hon. Gentleman knows, the feed-in tariff consultation is being conducted by the Department of Energy and Climate Change, but I will certainly communicate his concerns to it.

T10. [49998] Jason McCartney (Colne Valley) (Con): I am very lucky to have many successful manufacturing businesses in my constituency, and I am always one to talk up our manufacturing expertise, whether it is David Brown Engineering in Lockwood, Thornton and Ross pharmaceuticals in Linthwaite, Equi-Trek horseboxes in Meltham or any one of many others. However, some of my smaller businesses are still reporting problems with bank lending. How aware is the ministerial team of this problem, and what can we do to help such businesses to achieve multimillion pound turnovers?

Vince Cable: The hon. Gentleman is right that manufacturing is a success story. It is now growing at double-digit levels annually, in stark contrast with what

happened in the period after 1997, when we had a hollowing out of manufacturing more rapid than anywhere else in the world. However, he is right that there is a threat to small and medium-sized enterprises in particular from bank lending practices. We have secured commitments to 15% more lending from the banks, but much more needs to be done.

T8. [49996] Gregg McClymont (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): Given that demand for student places was always going to exceed supply this coming year, is the Secretary of State surprised that universities are charging as much as he has allowed them to charge?

Vince Cable: The hon. Gentleman might be confusing the coming year with the year for which fee levels are being announced. However, as I said earlier, there is a wide distribution of proposed charge levels by the universities that have already made announcements—less than a quarter of all universities—and this reflects the policy that we introduced.

Margot James (Stourbridge) (Con): Will my right hon. Friend assure the House that the Government will not attempt to reduce the number of places at universities charging the full rate of £9,000 a year in order to oblige a greater proportion of students to attend universities that charge less?

Vince Cable: We certainly wish to encourage providers that charge highly competitive fee levels, but we also wish to encourage high-quality universities of the kind my hon. Friend described. I do not think that the two are in any way incompatible.

John Cryer (Leyton and Wanstead) (Lab): Will the three-year moratorium that the Secretary of State mentioned earlier apply to health and safety legislation? I ask that question in view of the fact that two people are killed every week in construction.

Mr Prisk: We are reviewing health and safety legislation following a report on a common-sense approach to it. The moratorium approach to domestic regulation for micro-businesses will extend across health and safety, but it will be a common-sense approach based on ensuring that when public safety or national security are involved, measures are progressed.

Mr James Clappison (Hertsmere) (Con): In the light of the excellent question from my hon. Friend the Member for Reading East (Mr Wilson), surely it is a matter for universities to decide who to admit on individual merit, not for us to have a central Government control model—a command and control model—that inevitably produces unfair discrimination. We are trying to build a big society, not recreate the Soviet Union, are we not?

Vince Cable: There is no command and control. Indeed, we are seeking to free universities from the complex, rather Stalinist system that we inherited. None the less, it is right that the Office for Fair Access should judge universities that wish to charge the top rate according to its access criteria.

Mark Durkan (Foyle) (SDLP): The Minister might be aware that the Office of Fair Trading is receiving complaints about the market dominance and business practices of Electoral Reform Services. Will he encourage the OFT to be more attentive and responsive to those complaints than it has been to previous complaints?

Mr Davey: The hon. Gentleman will know that the OFT is an independent body, and I am sure that he would not want the Government to breach the law by intervening in that way. However, I am sure that the OFT has heard his question.

Nadhim Zahawi (Stratford-on-Avon) (Con): The excellent Coventry and Warwickshire local enterprise partnership is considering imaginative ways to make an offer for the next tranche of enterprise zones. Will the Minister meet it and me to discuss its imaginative ideas?

Mr Prisk: Mr Speaker, I think we have both now got our maps out and are sorting out the geography. However, the important thing is that the LEPs will be able to talk to the Government. The policy is led by the Department for Communities and Local Government, but we are working with it, and I am sure that the Government would be happy to hear from my hon. Friend.

Mr David Lammy (Tottenham) (Lab): Given that Leeds Met is the latest university to announce fees of £8,500, does the Minister think, in advising parents, that an English degree at Leeds Met is the same as an English degree at Oxford?

Vince Cable: I would not presume to make that kind of differentiation: it is their choice and they will both be considered by OFFA in due course. I would, however, single out Oxford for compliment, because of its ambitious programme for fee remission.

Amber Rudd (Hastings and Rye) (Con): Although I am irrepressibly optimistic about future growth in Hastings,

I was stunned to find last week that, on the index of multiple deprivation, we had fallen from 31 to 19. May I therefore urge the Minister to give careful consideration to stimulating areas of the south-east that have particular deprivation problems, and not to concentrate all the tools from his toolbox on the north-east region?

Mr Prisk: That is an image that I will not pursue. I am well aware that coastal towns in particular often feel that they are at the end of the economic line. I would welcome the opportunity to talk to parliamentary colleagues about that to see how we can focus in on this important issue.

Mr Ben Bradshaw (Exeter) (Lab): May I thank the Minister for the role that he has played and congratulate Exeter's Labour-led council on its doggedness in ensuring that Exeter has a guaranteed place on the Devon and Cornwall LEP? Will he urge the Under-Secretary of State for Culture, Olympics, Media and Sport, the hon. Member for Wantage (Mr Vaizey) to give urgent and positive attention to the bid for superfast broadband money, which has been submitted today and is supported by every Member of Parliament in Devon and Somerset?

Mr Prisk: We have issued a written statement today precisely on the new Heart of the South West local enterprise partnership for Devon and Somerset, as I think the right hon. Gentleman meant to say. I am grateful to him for his collaborative help on the scheme, which we are going to get under way. It is the next local enterprise partnership, and I shall certainly pass on his point to the Under-Secretary of State for Culture, Olympics, Media and Sport, my hon. Friend the Member for Wantage (Mr Vaizey).

Several hon. Members rose—

Mr Speaker: Order. We must move on.

Ivory Coast (Humanitarian Situation)

11.31 am

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op) (*Urgent Question*): To ask the Secretary of State for International Development if he will make a statement on the humanitarian situation in Ivory Coast.

The Parliamentary Under-Secretary of State for International Development (Mr Stephen O'Brien): Whatever events are taking place elsewhere in the world, Britain has not forgotten the people of Ivory Coast or Liberia. The Government are deeply concerned about the ongoing serious political crisis in Ivory Coast, the risk of regional instability, and the humanitarian impact on those who have been displaced by the violence or otherwise affected. The latest information we have is that almost 500 lives are estimated to have been lost as a result. That is why my right hon. Friend the Secretary of State announced last Friday that Britain would provide a significant emergency aid package to help tens of thousands of people affected by fierce fighting and violence who are in urgent need in Ivory Coast and Liberia.

In Liberia, Britain's support will provide food, shelter and basic services to 15,000 refugees; food, water and improved sanitation systems to 5,000 people living in border villages that have been overwhelmed by the refugee influx; and assistance for UNICEF's work in ensuring that thousands of women and children affected by the crisis are protected from violence, abuse and exploitation. In Ivory Coast, Britain is planning to supply £8 million of aid to provide 25,000 displaced men, women and children with food for six months; tents for 15,000 people; and support to treat 10,000 children and adults for malnutrition, and help 3,000 west African nationals return to their home countries. Access to populations in conflicted areas remains extremely difficult, and fighting is hindering the humanitarian response. Our support is being delivered through trusted UN and NGO partners. In addition to our support, I hope and plan to meet leading NGOs working in Ivory Coast and Liberia shortly before I leave for Liberia to see for myself the facts on the ground.

Mark Lazarowicz: I thank the Minister for his answer. The humanitarian situation in Ivory Coast is clearly becoming more desperate by the day and, as he said, is increasingly affecting neighbouring countries in west Africa. As well as in Liberia, there are now refugees from Ivory Coast in Togo and Ghana. The United Nations High Commissioner for Refugees estimates that 1 million people have already fled their homes, with the potential for up to 500,000 more refugees to arrive in Liberia alone over the next two months.

The Opposition certainly welcome the emergency assistance that the UK has given so far, but in view of what is obviously a deteriorating situation, can the Minister say how much of the assistance announced by the UK has been able to reach the countries concerned? What efforts are being made to reach the more remote areas of Ivory Coast, where tens of thousands are reported to be trapped, with no access to humanitarian assistance or medical supplies? Can he give us an update on how the rest of the international community is responding, given that the two UN emergency appeals so far have been grossly underfunded?

What steps are the Government taking to continue to monitor the situation in Ivory Coast and the neighbouring states, and are we in a position to provide more emergency assistance immediately any such need is identified? What discussions are the Government having with our international partners, particularly in the European Union, to ensure that our assistance efforts are co-ordinated with those of other countries? Is any consideration being given to strengthening the UN peacekeeping presence in Ivory Coast? Can the Minister give the House an update on the steps being taken by the international community to resolve the underlying conflict and to ensure that the outgoing regime respects the result of last year's presidential elections?

Mr O'Brien: I am grateful to the hon. Gentleman for raising those questions. He is absolutely right to focus on the extreme difficulty in accessing certain areas, particularly around Abidjan on the coast, where harassment, even of the international community, appears to be growing. In general, aid agencies have had some access to the north and the west of Côte d'Ivoire, though access to other parts of the country is changing on a daily basis. About 117,000 refugees have now crossed the border into Liberia, where access is not a significant issue at the moment.

We are seeking to produce the necessary humanitarian assistance, channelled through our tried and trusted UN and humanitarian non-governmental organisation partners. We have had direct contact with the NGOs. Indeed, officials in my Department are meeting representatives of Save the Children and Oxfam this morning, and the Foreign Secretary will meet representatives of leading British NGOs next week. He and the Minister of State will be meeting the president of the International Committee of the Red Cross. I am trying to organise a meeting with the NGOs that are leading the delivery of humanitarian responses in Côte d'Ivoire and Liberia before I leave for Liberia.

The hon. Gentleman asked about other diplomatic and political activity. There is an enormous amount of activity taking place within a number of bodies. The UK strongly supports the position taken by the Economic Community of West African States—ECOWAS—in seeking to co-ordinate supportive action in the United Nations and the European Union for ECOWAS. We also support what is going on in the African Union. It is important that the UN, which passed Security Council resolution 1975 last night, is now able to use that resolution as its authority to ensure that assistance is given within the context of finding the most peaceful means of allowing the duly elected President Ouattara to take his proper place in Côte d'Ivoire. In the meantime, we have to deal with the difficulties along the western side of the country, where the refugees are flowing into Liberia, as well as the serious humanitarian crisis in Côte d'Ivoire itself.

Initiatives are also being taken by the African Union in an effort to find a peaceful outcome to the crisis. It has been active in meeting and drawing up proposals, but, as we speak, a number of violent actions are taking place throughout Côte d'Ivoire, and the concern is that the peace processes are not as yet ahead of the actions on the ground. I compliment the African Union on its actions, however, and it is important that we recognise that the UN Security Council resolution does not impede

the AU's freedom to continue its process. The resolution neither competes with nor substitutes for that activity; it is a complementary process, and the sanctions imposed by the Security Council are designed to be persuasive rather than punitive, and will not cut across the AU process.

The hon. Gentleman mentioned funding. The \$32.7 million UN appeal for Ivory Coast and for neighbouring countries, excluding Liberia, is currently fully funded, but an appeal revision is under way, reflecting the significant increase in humanitarian need. The \$146 million UN appeal for Liberia is just 41% funded, and overall the response is reaching only a small proportion of those affected and displaced by the conflict. We have recently supported an uplift of 2,000 troops in the UN peacekeeping mission, the United Nations Operation in Côte d'Ivoire, and they will be coming through in the next few weeks.

Several hon. Members rose—

Mr Speaker: Order. There is understandably a lot of interest in this subject, but there is very heavy pressure on time today, so single, short supplementary questions and brief replies from the Treasury Bench are vital.

Tony Baldry (Banbury) (Con): I commend the fact that the UK Government are in the vanguard of funding the relief effort for Liberia and Ivory Coast, but is it not important that we encourage the African Union not just to engage to try to find a peaceful solution to disputes such as the one in Côte d'Ivoire, but to develop the logistical capacity to do more in these humanitarian situations in the future? It is fine for the G7 countries to fund the effort, but there needs to be more capacity within Africa to sort out the challenges that Africa faces.

Mr O'Brien: My hon. Friend, who has great experience of these matters, raises an important point about capacity building behind what is indeed the good political intent and the increasingly consensual process of the African Union, which is making its best efforts to find a peaceful solution. I am sure that his comments will be widely heard. He raises an important point for the future; in the meantime, we have to tackle the immediate issues.

Hugh Bayley (York Central) (Lab): I welcome the Government's humanitarian aid and the passage of Security Council resolution 1975. Does the Minister believe that there are enough UN troops on the ground? I am pleased to see beside him the Under-Secretary of State for Foreign and Commonwealth Affairs, the hon. Member for North West Norfolk (Mr Bellingham), who has responsibility for Africa. Taking a political track through the EU and bilaterally, what is the UK doing to address the problem of the polarisation between the north and south of the country in the longer term?

Mr O'Brien: The hon. Gentleman, with his expert knowledge, is right to highlight those issues. He gives me the opportunity to make the important point that Her Majesty's Government are working right across a number of Departments, not least through my hon. Friend the Minister with responsibility for Africa. The hon. Gentleman is also right about the north-south divide in the country, especially as we hear that troops loyal to President Ouattara are now only about 120 km north of the port of San Pedro, and may have captured

Yamoussoukro, the political capital. It is vital to find a way of pulling together a political process that unites a riven faction that has caused desperate humanitarian crises in the past.

Richard Fuller (Bedford) (Con): I welcome the Minister's statement on the provision of humanitarian relief and I note the UN resolution, but does he accept that what is really needed is a political solution that ejects Laurent Gbagbo from the presidency? This is a man who has rebuffed his people, rebuffed the Economic Community of West African States and rebuffed the African Union and is rebuffing the United Nations. Does the Minister accept that in this situation we have not done enough and not moved fast enough, and that this Government should do more to make sure that there is a peaceful resolution?

Mr O'Brien: Of course a political and peaceful solution has to be the overriding and most desirable outcome, but we have to deal with the facts on the ground as we know them to be. Enormous initiatives are taking place across ECOWAS, the African Union, the European Union and the United Nations. I know that the Foreign Secretary spoke to President Ouattara on 21 March and discussed the need for firm action in the UN against those who obstruct the African Union's attempts to broker a peaceful transfer of power, and on 25 March my right hon. Friend the Secretary of State for International Development spoke to President Ellen Johnson Sirleaf of Liberia to ensure that we address the humanitarian concerns developing in that country.

Tony Lloyd (Manchester Central) (Lab): The Minister rightly mentioned the need for a political solution and the role of the African Union. In fact, ECOWAS has a well-deserved reputation for efficient delivery on the ground. Will the Minister tell us whether the Minister with responsibility for Africa has been in active discussion with ECOWAS so that we can engage further with it to deliver practical support for that political solution?

Mr O'Brien: I can. Indeed, I have just had it confirmed that my hon. Friend the Minister with responsibility for Africa met ECOWAS in Abuja three weeks ago and has continuing contacts with it, as do I in my travels through west Africa. It is a very important body to be developed to help these peaceful processes.

Henry Smith (Crawley) (Con): I welcome the Government's efforts. The Minister mentioned assistance to refugees. Will he expand on that and explain what assistance the Government are providing not only for refugees from Côte d'Ivoire in west Africa, but for refugees in this country as well?

Mr O'Brien: As I mentioned in my opening remarks, at this stage, when thousands of people are crossing the border westwards from Côte d'Ivoire to Liberia, the principal task is to provide shelter, potable water and improved sanitation systems, to ensure their survival and also the protection of thousands of children and women from violence, abuse and exploitation. It is equally important to recognise that helping west African and, indeed, other nationals to return home is part of the humanitarian response. My hon. Friend is right to highlight those issues.

Ann Chwyd (Cynon Valley) (Lab): Children in particular are innocent victims in this conflict. Will the Minister make it clear that we will not tolerate the increasing recruitment of children to take part in armed conflict?

Mr O'Brien: We do indeed hear reports that children are again being recruited to fight as soldiers, mainly to replace members of the armed forces loyal to former President Gbagbo who are now leaving the forces or switching sides. For the former president and those who surround him to imagine that it is ever legitimate even to contemplate recruiting anyone who is under age to fight for him is completely unacceptable. No doubt NGOs and others will document the incidence of such recruitment to ensure that evidence is available should it be required for the purpose of bringing those responsible before the International Criminal Court.

Martin Horwood (Cheltenham) (LD): I welcome the humanitarian assistance, but experience in Africa suggests that very large refugee camps invariably become difficult and dangerous places, especially for the most vulnerable. May I urge Ministers to redouble their efforts to remove people's reasons for leaving the country in the first place, and to try to prevent it if possible? May I also urge them to ensure that when assistance is provided for the camps, the needs of the most vulnerable—particularly the elderly, women and children—are given priority?

Mr O'Brien: The hon. Gentleman is absolutely right. I know from my recent visit to the Dadaab refugee camp in Kenya, on the border with Somalia, that a large refugee camp is extremely difficult to manage. In Liberia, which I shall visit shortly, I hope to go to where the refugees are to see what the conditions are like and how they can best be managed in a humanitarian way. As for the refugees' reasons for leaving the country, they are very plain: deep fear, deep instability, and the aggression that is being directed at their own people. All those factors are causing them to flee for their own safety. Clearly, the underlying aim must be to return Côte d'Ivoire to political stability and some semblance of democratic legitimacy.

Jeremy Corbyn (Islington North) (Lab): The situation in Ivory Coast is obviously terrible and tragic, and I welcome any aid and support that can be given, but a failure of politics has brought about that situation and there must be a political solution. Although there may be different interpretations of the election result on both sides, it must be recognised that there is considerable support for Gbagbo and Ouattara in their respective hinterlands, and any political solution must take that into account. Can the Minister confirm that working with the African Union and ECOWAS is the way forward, rather than allowing the country to descend into a terrible civil war?

Mr O'Brien: Like everyone else in the House, the hon. Gentleman naturally wishes to avoid any descent into civil war. The primary focus of our efforts must be on the African Union and ECOWAS, because a locally owned solution is much more likely to be both sustainable and peaceful and to take account of the relative strengths of the support currently available to each of the warring parties.

Simon Hughes (Bermondsey and Old Southwark) (LD): As well as encouraging Ministers to persist in their efforts to resolve the conflict, may I have an assurance that they are keeping in touch with the small but not insignificant community here in order to enable their insights and information to be used to assist such a resolution?

Mr O'Brien: We must indeed maintain those links. As I have said, I am making every effort to meet all the relevant trusted NGOs and representatives of UN agencies here before I leave for Liberia, which is the closest that I shall be able to get to the scene of what is taking place. The right hon. Gentleman is right: any influence that can be brought to bear, not least by diasporic communities, will be of great importance to the future.

Mr Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): I welcome the Minister's proposal to visit the region fairly soon. May I encourage him to go to the borders, where NGOs—particularly the Catholic Fund for Overseas Development—are involved in a special mission? They are deeply worried about the situation, and are anxious for the final solution and agreements that we reach, if indeed we are able to do so, to reflect the wishes of the people rather than what we may think is right for them.

Mr O'Brien: I am grateful to the right hon. Gentleman for his question. We are in touch with CAFOD, and it is part of the plan for my visit that I will go not just to Monrovia but up country to the borders so I can see for myself what is taking place. It is vital that we work with the grain of what people need locally, and that we are there to provide support rather than what might be regarded as a UK solution. On the contrary, it has to be a local Liberian and Côte d'Ivoirian solution to the problems the people there face.

Mr Chuka Umuanna (Streatham) (Lab): The economic sanctions imposed by the EU, the US and some African states are clearly having some effect, as I understand Mr Gbagbo is running out of cash. However, it has been reported that he continues to be supported by a couple of African leaders, including Robert Mugabe, who has reportedly been sending him arms. Does the Minister know whether these reports are true, and if so, does he agree that it is of paramount importance that democracy is allowed to flourish and is respected, and that people get out and vote in other elections in the region, in particular those starting in Nigeria this weekend?

Mr O'Brien: We have been hearing reports of that, too. However, a significant number of countries and leaders across Africa are deeply supportive of a peaceful political process through the African Union, ECOWAS and other institutions, not least the United Nations—and I might mention Ghana and Angola, to name just two countries. It would be totally unacceptable for any leader or country to seek to supply arms to either of the warring factions, and particularly former President Gbagbo. If that were to happen, it should receive the roughest criticism from all of us who are concerned and want a peaceful outcome to this very difficult situation.

Thomas Docherty (Dunfermline and West Fife) (Lab): May I press the Minister to outline what contingency plans his Department, the Foreign Office and the Ministry

of Defence are putting in place if we have to move quickly to evacuate British nationals and others from Ivory Coast?

Mr O'Brien: The hon. Gentleman raises an important issue. We believe that about 80 British citizens would be involved, and there are, indeed, contingency plans in place for their safe return if that becomes necessary.

Anas Sarwar (Glasgow Central) (Lab): I welcome the Government's actions in providing humanitarian assistance to the region. Comparisons will inevitably be drawn with the situation in Libya. What assessment has been made of the number of civilian lives that have been lost in Ivory Coast, and what efforts are we and our international partners making to ensure we protect civilians from another brutal leader refusing to leave?

Mr O'Brien: The latest information we have is that about 500 civilians have so far lost their lives in Côte d'Ivoire, but that is very much an estimate—as the hon. Gentleman can imagine, reliable information is extremely hard to come by. All possible political and diplomatic processes are under way, and have been under way—we have been deeply engaged in trying to help and co-ordinate efforts to support that since the leadership crisis first arose in December. It is vital that we work down that track. Of course we do not want to have to take other measures, and it is extremely helpful that the UN Security Council passed resolution 1975 last night.

Mr Speaker: I am grateful to colleagues for their co-operation.

Prisons Competition

11.53 am

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): With permission, Mr Speaker, I should like to make a statement.

The House will be aware that in 2009 my predecessor announced a competition for the management of five prisons: Her Majesty's prisons at Birmingham, Buckley Hall in Rochdale, Doncaster and Wellingborough, and the new prison, currently called Featherstone 2, near Wolverhampton, which is due to open in 2012. I am now able to announce the results of that competition process.

Let me remind the House that these prisons were selected by the right hon. Member for Blackburn (Mr Straw) for a variety of reasons. Birmingham and Wellingborough are currently managed by the public sector and were chosen after being identified by the National Offender Management Service as performing poorly. Buckley Hall and Doncaster are establishments that have been previously competed for and their contract is due for renewal. Buckley Hall is currently managed by the public sector and Doncaster is currently managed by Serco.

During the preparations for the bid it became apparent that competition could not produce improvements at HMP Wellingborough without significant capital investment to secure its long-term viability. In the current financial climate, this is clearly not a tenable proposition, so I took the decision to remove it from the competition process. HMP Wellingborough will continue to be managed by the public sector, and will need to deliver approximately 10% efficiency savings, in line with other public sector prisons, over the next four years.

I am now able to announce the results of the four remaining prison competitions. HMP Birmingham will be run by G4S plc. HMP Buckley Hall will be run by HM Prison Service. HMP Doncaster will be run by Serco Group plc. Featherstone 2 will be run by G4S plc. The new contracts will be effective from October 2011 for the prisons at Birmingham, Buckley Hall and Doncaster, and from April 2012 for Featherstone 2. I would like to put on record my thanks to all the bidders for contributing to what has been a challenging contest, which will secure significant quality improvements and savings at all the establishments involved.

The Government are committed to delivering reform in our public services. This process shows that competition can deliver innovation, efficiency and better value for money for the taxpayer, but also that it can do so without compromising standards. Before the bids were evaluated for anything else, they needed to demonstrate their fundamental ability to provide safe and secure custodial services. I can confirm that over the spending review period the new contracts will deliver savings of over £21 million for the three existing prisons. In the same period, the new Featherstone 2 prison will be delivered at £31 million less than the costs originally approved by the previous Government. Cumulative savings over the lifetime of the contracts for the three existing prisons are a very impressive £216 million.

But public protection is not just about how we manage prisons in order to punish people. It is also about how we achieve genuine and long-lasting reductions in crime by cutting reoffending. I am therefore particularly pleased

[Mr Kenneth Clarke]

to be able to announce that, for the first time, the contract award for HMP Doncaster will include an element of payment by results in reducing reoffending. Payment by results is central to our rehabilitation reform plans, because it means that we can concentrate on paying for what works to reduce reoffending. The current system funds services, but not outcomes. Providers of services face few consequences if what they offer does not succeed in cutting reoffending, and little reward if they do succeed in cutting reoffending. Payment by results looks to change this by rewarding performance against the outcomes specified in a contract. In the Green Paper I outlined plans to develop this policy further and commission at least six new pilots for payment by results. The contract for HMP Doncaster is an important first step towards fulfilling this commitment.

The new contract price for HMP Doncaster will in itself deliver significant annual savings. In addition, however, the introduction of payment by results means that 10% of the contract price will be payable only if the operator reduces the reconviction rates of offenders a year after they are discharged from the prison by five percentage points. If they achieve this, the contract will, of course, have significantly reduced crime, and for a cost of at least £1 million below what we currently pay. I regard this as a win-win approach. It translates to savings for the taxpayer, lower reoffending rates and a return for the service provider that improves their performance.

I know that Members on both sides of the House recognise the benefits of effective competition—at least I hope they still do. Today's announcement shows it has a significant role to play in delivering value for money, better outcomes and broader reform. I encourage providers from any sector to rise to the challenge. The public are entitled to expect safety and security and better results to go hand in hand with efficiency and innovation. I commend this statement to the House.

Sadiq Khan (Tooting) (Lab): I thank the Secretary of State for advance sight of today's statement, and I welcome its tenor and how he delivered it. He will be aware that our policy was and is based on what works, rather than dogma. During our time in government, nine new private sector prisons were provided and three new establishments had been opened and run by the public sector, and I recognise that they have played a successful role in our prison system. It is right that we began the market testing that he is reporting on today.

I wish to ask the Justice Secretary a number of questions arising from his statement. First, he refers to the fact that during the bid preparations it became apparent that competition could not produce improvements at HMP Wellingborough without significant capital investment, so may I ask him what plans he has for such investment at Wellingborough prison? How much will be invested, and over what period? Does he understand the frustration of hard-working prison officers and other staff working in public sector prisons that need capital investment when they are compared with prison officers and other staff in newly built or refurbished private prisons? Can he confirm that the decisions on the Birmingham and Doncaster prisons are no reflection on the hard work of prison officers and staff there?

May I echo the Justice Secretary's comments about the importance of delivering efficiency, innovation and better value for money for the taxpayer without compromising standards? Indeed, he has referred to the £216 million that will be saved as a consequence of this process, which was begun by the Labour Government. Does he therefore accept that the savings he is now championing are actually the fruits of the previous Government's attempts to improve the efficiency of the Prison Service? Can he confirm that he will reinvest that money in the Prison Service?

The Justice Secretary's announcement on payment by results is interesting and welcome. He will be aware that we began piloting payment by results in Peterborough, where we were trying to reduce reoffending. However, that is a pilot scheme and we recognised that lessons would need to be learnt before any full roll-out. What lessons have already been learnt from the yet to be completed Peterborough pilot? Can he confirm that Doncaster is a pilot and he will wait to see the results before the approach is rolled out further? His statement referred to the criteria for payment by results. He will be aware that 20% of offenders reoffend within three months of leaving prison and that 43% do so within a year, so will he explain further the criteria by which he will judge "if the operator reduces the reconviction rates of offenders a year after they are discharged from the prison by five percentage points"?

Finally, I wish to ask the right hon. and learned Gentleman about the workers in the prisons that he listed. Staff at HMP Birmingham and HMP Doncaster will understandably be worried about their future in these uncertain times. Does he anticipate any redundancies as a result of his decision? Can he confirm to the House that public sector terms and conditions will be protected under Transfer of Undertakings (Protection of Employment) Regulations arrangements? In addition, he will doubtless have seen the newspaper reports of contingency planning by his Department to deal with any industrial action that might result from his announcement. We have read that troops have been put on alert. Will he confirm whether that is the case? May I ask what discussions he or his Prisons Minister have had with the Prison Officers Association and others who represent prison staff? Does he agree that it is crucial that he and/or his Prisons Minister should meet the appropriate representatives today and begin a dialogue to avoid the sort of speculation reported in the media from becoming a reality?

Mr Clarke: I am grateful to the right hon. Gentleman, because I was interested to see whether the Labour party was in the position that I thought it was going to be in, and I am reassured by what he said. As he said, putting competition into the system in order to ensure the best standards at the lowest cost to the taxpayer is a continuous policy, and things have moved on an awful long way since I was Home Secretary 20 years ago, when privately managed prisons were a highly controversial subject. We got the first one under way at Wolds, but under Blairism the policy was taken a whole lot further, with all the private finance initiative prisons. As I readily acknowledge, the right hon. Member for Blackburn (Mr Straw) started this tendering process, which we have taken to what I believe to be this successful conclusion. It must be in the public interest and it must be right—I readily acknowledge what the right hon. Member for

Tooting (Sadiq Khan) just said—that we leave aside stale ideology and dogma, and instead look at what works and what produces the right solutions for the public.

We have problems with the building at HMP Wellingborough. It is not a terribly old building—as I recall, it is largely a 1960s construction—but we are under notice that something has to be done about it and it cannot just carry on as it is. The building is not going to be adequate for very much longer. We are considering what to do about HMP Wellingborough. Its staff are responding very well to the problems that they face, but I hope to be able to come back soon to announce what will happen at Wellingborough.

The contract for Birmingham prison is now going to G4S. I acknowledge that the staff at Birmingham have made considerable efforts and that they put in a good public sector bid as part of the tendering process, but the fact is that that process is objective and the private sector bid was just better, and somewhat less costly. On the right hon. Gentleman's later comments, the National Offender Management Service will, of course, have high regard to the interests of the staff at Birmingham. A new prison is opening not far away, which may offer some opportunities, but we will give all the appropriate support and hope to avoid an unnecessary number of redundancies.

Payment by results was indeed initiated at Peterborough by the previous Government, and we strongly support that worthwhile experiment. The only political claim that I would make is that I believe the previous Government responded to the policies suggested by the then Conservative Opposition in advocating payment by results. We suffered the fate that often happens to Opposition parties—I hope that this will happen to the right hon. Gentleman, too—of putting forward good ideas which then get stolen by the Ministers in power. However, at least we are at one on this policy.

The Doncaster scheme is another pilot. For the first time, the prison operator is entering into having a payment by results element in the contract; the operator will get extra reward if it succeeds, but it will share the risk with the Government, and will lose if it does not succeed. Five percentage points is what has been negotiated—a somewhat impenetrable figure. It means five percentage points down from the current percentage, so an 8.3% reduction from the current reoffending rate would be required for the operator to be paid.

It is indeed true that we have undertaken contingency planning in case we get the wrong sort of reaction to today's announcement, although of course we very much hope that we shall not, because industrial action will be no more in the interests of prison officers than it is in the interests of anyone else. Contingency planning for disorder in prisons has always been done, as it has to be. It has been done for as long as I can remember, although I think the previous Government suspended it when they reintroduced the criminal law making it illegal to strike in prisons. They carried out an experiment when they lifted the legal ban, but they had a very bad strike in 2007, and put it back again. We have been bringing the contingency planning up to date, but we very much hope that that is a mere precaution. In the interests of public order, we have to ensure that we are prepared in case anything goes wrong in a major prison, but we very much hope not to have to put any of this

into effect. We have had discussions with the Prison Officers Association and we are open to further such discussions, and we hope to be able to answer its legitimate queries in any way that we can.

Several hon. Members rose—

Mr Speaker: Order. I remind the House of the pressure on time and the consequent need for brevity.

Mr Peter Bone (Wellingborough) (Con): The Secretary of State's announcement will be widely welcomed in Wellingborough. Is he aware that the POA there and the management worked tirelessly together, doing so against the national union policy, to come up with a bid that has driven down the cost to £19,000 per prisoner and has reduced the number of prison officers from 147 to 101? Could either the Secretary of State or a member of his team visit Wellingborough prison to see the improvements?

Mr Clarke: I join my hon. Friend in congratulating the staff at Wellingborough, because they face a difficult situation, given the uncertainties caused by the unsuitable and deteriorating buildings in which they are operating. They certainly have succeeded, and my hon. Friend the Prisons Minister says that he can certainly take up the invitation to visit to see what they have achieved. I hope that the uncertainties will be resolved as soon as possible, but obviously it is difficult to find money for a large capital programme, which is what Wellingborough really needs.

Mr David Hanson (Delyn) (Lab): As the Prisons Minister at the time the decision was made to undertake the market testing, I can confirm that we not only undertook the market testing but encouraged public sector bids. Now that those public sector bids have failed in Birmingham, could the Justice Secretary tell the House what will happen to the assets of Birmingham and Doncaster prisons? What is the cost of the TUPE arrangements? Will it be borne by the private sector contractor? If there are redundancies, will it be the Ministry of Justice that bears them?

Mr Clarke: The right hon. Gentleman was indeed involved in the competition process, so he cannot start protesting—however mildly—about the outcome. I assume that he contemplated that either the private or the public sector bids would win, and that is what has happened. The public sector has the contract at Buckley Hall and the private sector has the contract at Birmingham and the other prisons. Serco was already the contractor at Doncaster. To show how ideology is fading, the irony is that Buckley Hall, when it opened, was a private sector prison, but it has been in the public sector and this renewal of the contract has been won by the public sector again. The law on TUPE remains in place, but we are consulting on the wider implications on transfers of ownership from the public to the private sector. The outcome of this competition should be the kind of thing that the right hon. Gentleman was perfectly happy to contemplate when he was party to the decision in 2009.

Sir Alan Beith (Berwick-upon-Tweed) (LD): I welcome the Lord Chancellor's decision to build reducing reoffending into the Doncaster contract, but will he assure us that he recognises that that will require the provider to work

[Sir Alan Beith]

closely with a range of other organisations, and that they too increasingly need to be incentivised to reduce the reoffending that creates more victims of crime?

Mr Clarke: My right hon. Friend is right. There are two major voluntary parties with which the provider at Doncaster proposes to be in contact, but their names escape me—one is called Catch22 and the other is something else—and there will be local voluntary and charity groups subcontracted below them. Serco will manage the prison and will be the principal contractor, but the delivery that it hopes to achieve will be effected by subcontractors. I have emphasised to those who have attended seminars on this subject that I hope that the operator will deal responsibly with the small local contractors. Serco is entitled to use its bargaining power when negotiating with the representatives of Government to get the best deal it can, but I hope that it will not overdo it when dealing with smaller voluntary and charitable bodies that are also entitled to expect to boost their funds if they deliver the results required.

Simon Danczuk (Rochdale) (Lab): It is important to put on the record the fact that my constituents and staff at Buckley Hall prison in my constituency have been concerned about the process, but I am sure that they will appreciate the stability that should now be provided. The reason why I raise this matter is that, as the Secretary of State pointed out, there has been constant change at Buckley Hall prison, and I hope that this decision will provide some stability. May I have some assurance that the staff, who do an excellent job there, can now get on with that, and that there will be no redundancies at the prison?

Mr Clarke: I think I can give the assurances that the hon. Gentleman requires. As far as I am aware, the public sector bid did not contemplate any redundancies; I do not have that information at my fingertips, but I would be surprised if it did. The provider has won a contract, and it is now up to it to deliver that contract on the basis on which it was won; the provider cannot now backslide from what was offered. I do not think that that is likely to happen, and fortunately, the staff at Buckley Hall now have some welcome stability for the period of the contract.

Mr Stewart Jackson (Peterborough) (Con): I warmly welcome my right hon. and learned Friend's statement, and I know that he and his ministerial colleagues have been to Peterborough. May I add my voice to the calls to consider the social impact project at Peterborough with a view to extending it across the private prison estate? It could have an impact on prisoner education and in reducing recidivism.

Mr Clarke: I entirely agree with my hon. Friend, and I was immensely encouraged by what I saw on my visit to Peterborough. I have discussed Peterborough widely elsewhere, and there was tremendous enthusiasm for the social impact bond that raised the ethical investment that has gone in to the project and for the determination to deliver it on the part of the St Giles Trust, which is the partner, the YMCA and the other people who are involved. We are finding this enthusiasm reflected elsewhere, and I hope—Peterborough being another private sector

prison—that public sector prisons will get equally keenly involved. There are people in the public sector prison service who wish to contract on such a basis. I hope that payment by results will take off, and social impact bonds are one model for raising important capital to get them under way.

Mr George Howarth (Knowsley) (Lab): I welcome the inclusion of reoffending rates in the Doncaster contract. Can the Secretary of State assure the House that Serco will not be allowed to cherry-pick which offenders it takes at Doncaster, so that it will be possible to make meaningful comparisons between that establishment and other institutions?

Mr Clarke: I think I can. A cohort will be allocated rather than some carefully selected group, so a positive result will reflect some move in reoffending rates, with the consequent reduction in the number of further crimes and victims. I give credit to Serco, because when I went to Doncaster I broached the subject slightly tentatively there, because we were already in a competition process and Serco could just have proceeded perfectly ordinarily on the basis it had already agreed for the tenders with the previous Government. Yet Serco was positively enthusiastic, and I think it sees the pilot as a way of finding out whether it can enter into more such arrangements elsewhere in the criminal justice system.

Mr David Nuttall (Bury North) (Con): I too welcome the statement from my right hon. and learned Friend. Further to the previous question, in view of the fact that prisoners move around the prison estate, what proportion of a prisoner's sentence must have been served at HMP Doncaster for that prisoner's record to be taken into account in the statistics?

Mr Clarke: I will consult those who negotiated the details of the contracts and write to my hon. Friend with an answer to that extremely pertinent question.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): The Secretary of State will be aware of the recent report on HMP Bronzefield, a privately run women's prison. It found seven cases of self-harm per day, one woman who self-harmed 93 times in a month, and one woman who was kept in segregation for three years with very little human contact. Health care was shockingly poor, with no female GPs, and pharmacy services were tortuous and inconsistent. How on earth can it be for the public good to extend private sector prisons?

Mr Clarke: Her Majesty's inspectorate of prisons does extremely valuable work and over the years has exposed things that can be praised or strongly criticised in both public and private sector prisons. If we look back over the years, we see that no rule and no measure can be produced that shows that either sector is overwhelmingly likely to produce praise while the other is overwhelmingly likely to produce criticism. We must look at the inspectorate's reports, take them seriously and ensure that where there are serious problems they are addressed. In my opinion—with respect—it is extremely out of date to say that what is wrong in such a case is the fact that the prison is private, whereas when another prison is criticised it somehow does not matter so much because it is public. The whole point of contracting and

competition is that one specifies the quality one wants and the right price for the taxpayer, and then the inspectorate system ensures that real failings are addressed—and at the same time, we sometimes have penalties in the contract if providers fail to deliver.

Ben Gummer (Ipswich) (Con): I enormously welcome the statement by my right hon. and learned Friend. Given the cross-party support for what he has just announced, what plans does he have to continue the excellent policy of the previous Administration in market testing across the entire prison estate? Will payment by results contracts be extended across other prisons? Finally, will he consider agglomerating PBR contracts in prisons with probation trusts?

Mr Clarke: We are out to consultation at the moment on the Green Paper on sentencing in general and we floated in that the prospect, about which my hon. Friend rightly asks, of having a regular programme of competitive tendering throughout the prison system so that we can revisit quality and cost, in an organised way, gradually over the years. We have not finalised the form, but we will come back in due course once we have finished our consultations and responded, and we will answer his question about exactly what we want to do on that front. Probation trusts are equally involved, I hope, in the development of the payment by results policy. We are as anxious to see public sector bodies involved as private sector bodies. The best of the probation trusts seem to me, in my contact with them, to be quite enthusiastic about becoming involved in such a contracting process.

John McDonnell (Hayes and Harlington) (Lab): The Secretary of State may consider that privatisation is no longer controversial within this House across certain parties, but it is deeply controversial among Prison Officers Association members. He should meet the POA as a matter of urgency, and should look well beyond TUPE for the protection of staff who are currently being made vulnerable by privatisation; otherwise I believe that there will be industrial conflict.

Mr Clarke: I have every respect for the hon. Gentleman's opinions, in which he has always been consistent. He has always been an articulate advocate, and I almost welcome him as a voice from the past. I realise that the POA is rather stuck in its traditional attitudes towards this kind of thing, but I really hope that it will reflect on what is almost a universal view in this House that we are moving on to a proper, fair, competitive basis for deciding how best to run prisons and at what cost, without being so obsessed about whether they are private sector or the public sector. Of course, the Under-Secretary of State for Justice, my hon. Friend the Member for Reigate (Mr Blunt) and I will continue our close contact with the POA. We have had to have contingency plans in case anyone is so foolish as to start industrial action—but it is illegal to take industrial action. The sensible thing for people to do is to look at the tendering process and, if they are in the public sector, decide how their prisons can achieve a better score in future. They have won one this time, but it is up to them to put in the best bids as we develop the policy.

Mr Matthew Offord (Hendon) (Con): I welcome the statement, and agree that there is consensus in the House about this. I see that three of the four contracts

mentioned today are being awarded to the private sector. Could the Secretary of State please advise the House of the percentage of prisons in England and Wales that are currently run by the private sector?

Mr Clarke: The answer is 11%, and that is one of the many things that surprised me when I started in this office. When I was Home Secretary we introduced the first private prison, HMP Wolds, which was regarded as a flaming political issue—we had crossed the Rubicon and it was a dramatic change. One way in which Britain has modernised is that we have inherited a lot of private finance initiative-financed private prisons, and now we have this open tendering between the two sectors across the country.

Paul Flynn (Newport West) (Lab): To underline his claim that prisons are well run, will the right hon. and learned Gentleman remind the House of the precise number of prisons that are free of the use of illegal drugs?

Mr Clarke: I would not like to guarantee that for any prison in the country. In far too many prisons drugs are, although more expensive, rather more readily available than in the outside world. That is a serious disgrace and I assure the hon. Gentleman that we are working very actively on our plans to begin with drug-free wings and then drug-free prisons. This issue has to be addressed, and people in the service are keen to do that. I hope to come back later this year—as soon as possible—with some announcement of progress on that front.

Rehman Chishti (Gillingham and Rainham) (Con): I welcome the Secretary of State's statement. Can he confirm that armed forces personnel are being trained to be deployed to man prisons if the need arises?

Mr Clarke: Yes, and there always used to be military contingency plans, because Governments must have contingency plans for all kinds of disasters. Unfortunately, if people are so unwise as to take industrial action in prisons, the situation can rapidly become far worse than in a normal strike because we start getting disorder among the prisoners. We have updated those contingency plans, and the military are indeed involved, but I should make it clear that no one is contemplating a military takeover of any prison. The Prison Service and prison governors would still be in charge. None the less, it is only prudent to make sure that we have the military preparedness that could, but almost certainly would not, be required. It has not been required in living memory, because one begins by using management staff and other teams that have been drafted in. Only in extremis would one start using the military for perimeter guarding and that kind of thing.

Mr Dennis Skinner (Bolsover) (Lab): Following on from the question asked by my hon. Friend the Member for Hayes and Harlington (John McDonnell), when the Secretary of State meets prison officers will he give them a guarantee regarding TUPE? He seemed a little vague at the beginning. Will he give an assurance that TUPE arrangements will apply not only in the present circumstances but in the whole period of this Parliament if there are any further changes?

Mr Clarke: TUPE is part of the law of the country, but the hon. Gentleman probably knows that there is currently a consultation about TUPE-related agreements that have previously been in existence in relation to transfers from the public sector to the private sector. I am not anticipating the outcome of that consultation, which is why I gave the answer I did.

Tom Brake (Carshalton and Wallington) (LD): Does the Secretary of State agree that localism is as important in the prison sector as anywhere else, and that there is a risk that if a very small number of very large conglomerates take over the running of all the private prisons, the voluntary sector, social enterprises and charities will be excluded from taking part in the exciting rehabilitation agenda that the Government are pursuing? How can he ensure that does not happen?

Mr Clarke: I agree that localism is extremely important in this field, and I think it will be preserved because of the process whereby major contractors subcontract to voluntary and charitable groups. The relevant voluntary and charitable groups are different from place to place, and some of them are quite local. The people who set up the arrangements in Peterborough dealt with a collection of voluntary and charitable bodies quite different from those dealt with by the people who negotiated the contract at Doncaster, because local services and local ideas for tackling reoffending are different. I very much hope that, as the hon. Gentleman says, we shall keep that quality of local enthusiasm and commitment when we rope voluntary, charitable and third sector people into tackling reoffending.

Nadhim Zahawi (Stratford-on-Avon) (Con): Will the Secretary of State tell the House how many contracts awarded to private sector contractors have been terminated due to poor performance?

Mr Clarke: None has been terminated due to poor performance, as far as I am aware.

Gavin Williamson (South Staffordshire) (Con): I am sure that my right hon. and learned Friend is aware that not only Featherstone 2 but Featherstone and Brinsford are in my constituency. The latter two are excellent prisons because of the dedication and commitment of their prison staff. Can he assure me that the same levels of training and support offered to the prison officers at those two prisons will be offered to the staff at Featherstone 2?

Mr Clarke: That is provided for in the contract and I very much hope it will be the case. Like my hon. Friend, I have great optimism about the future of Featherstone 2. It is very good that we have that kind of investment coming on stream so that we can help to modernise the service in all possible ways. The proper training and support of staff is a key part of delivering the contract properly.

Mr Rob Wilson (Reading East) (Con): I congratulate the Secretary of State on his statement, and I particularly welcome the savings to the taxpayer. Some would have argued in the past that they would lead to a lower-quality service, so can he tell us whether Her Majesty's inspectorate of prisons has shown any differences in recent reports between the quality of private sector and public sector prisons?

Mr Clarke: As I have said, I do not think it is possible to draw general conclusions such as "private sector good, public sector bad"—or vice versa—in any area. The regime at the best private prisons is very good and is hard to match in the public sector, and the savings are very considerable and useful. Sections of the media are enjoying themselves by constantly accusing me of letting people out of prison, but as far as I am aware I have not let anyone out of prison. I rather prefer cutting the costs of running prisons to letting prisoners out, and we are cutting costs in an extremely sensible way that should raise quality and performance in the Prison Service.

Henry Smith (Crawley) (Con): I strongly welcome the awarding of two of the prison contracts to Crawley-based G4S. Can the Secretary of State say how long the contracts are for, and what reviews of performance will take place throughout the contract and over which periods?

Mr Clarke: G4S has done very well in this particular round. It had some strong competitors, which will no doubt come back in future rounds when we arrange them. The contracts are for 14 years, but are reviewable after seven years so that performance can be checked at that stage. I wish G4S well in delivering the very strong bids that it put in.

Mr Speaker: I thank the Secretary of State and colleagues for their co-operation.

Business of the House

12.28 pm

The Leader of the House of Commons (Sir George Young): With permission, I should like to make a statement about the business for next week. The business for the week commencing 4 April will be:

MONDAY 4 APRIL—Opposition Day (14th allotted day). There will be a debate entitled "Police Cuts" followed by a debate entitled "The Government's Green Policy". Both debates will arise on an Opposition motion.

TUESDAY 5 APRIL—General debate on Britain's contribution to humanitarian relief and Libya, followed by a general debate on matters to be raised before the forthcoming Adjournment as nominated by the Backbench Business Committee.

Colleagues will wish to be reminded that the House will meet at 11.30 am on this day.

The business for the week commencing 25 April will include:

MONDAY 25 APRIL—The House will not be sitting.

TUESDAY 26 APRIL—Second Reading of the Finance (No.3) Bill.

WEDNESDAY 27 APRIL—Opposition Day (15th allotted day). There will be a debate on an Opposition motion, subject to be announced, followed by a motion on section 5 of the European Communities (Amendment) Act 1993.

THURSDAY 28 APRIL—Second Reading of the London Olympic Games and Paralympic Games (Amendment) Bill.

The provisional business for the week commencing 2 May will include:

MONDAY 2 MAY—The House will not be sitting.

TUESDAY 3 MAY—Consideration in Committee of the Finance (No.3) Bill (day 1).

I should also like to inform the House that the business in Westminster Hall for 28 April 2011 will be:

THURSDAY 28 APRIL 2011—A debate on Sudan.

Hilary Benn (Leeds Central) (Lab): I am grateful to the Leader of the House for that statement. First, may I join the House in offering our condolences to the hon. Member for South East Cornwall (Sheryll Murray) on her tragic loss? We are all thinking of her.

The House has welcomed the two statements this week on Libya, and we saw the news overnight that the former Foreign Minister has fled to the United Kingdom. Will the Leader of the House tell us what plans he has to keep Members informed during the recess, and whether he will consider seeking the recall of Parliament should circumstances warrant it? May I also welcome the changes he has made in response to my request to extend topical questions to the Department for International Development and the Cabinet Office? After the failure of Ministers from the Department for Business, Innovation and Skills to clarify matters in oral questions, may we have a full debate on the spectacular incompetence that is the Government's policy on higher education? The White Paper has still not appeared, and most of today's students will probably graduate before it does so. What was clearly promised as the exception—universities charging students fees of £9,000 a year—has become the norm, because the Government are simply incapable of getting their policy and their sums right.

May I say how much we are looking forward to Monday's debate, so that we have the chance to discuss the Government's complete mishandling of police cuts? Local communities will be astonished to discover that police officers are to be taken off the streets to be put into offices so that they can cover the work of civilian staff who are losing their jobs, and will be surprised by the news that special constables could be offered Nectar points to boost recruitment. Yesterday, the Minister for Policing and Criminal Justice was completely unable to answer a very simple question: will front-line police numbers fall? Perhaps his boss will be able to do so on Monday.

As for the greatest disaster of all—the NHS reforms—may we have a statement from the Prime Minister, now that we read in *The Times* that he is cutting the Health Secretary loose and taking personal control because he is worried that the plans will backfire. A Government source is quoted as saying:

"Are we doing this in one step or a number of steps? There's no settled course."

In other words, they do not have a clue.

May we have a debate on personal privacy and the serious and persistent problem of open microphones being attached to members of the Cabinet? Is it not unfair that at a time at which the Deputy Prime Minister is desperately trying to distance himself from the policies of his own Government, we should discover by those underhand means that in fact he agrees with the Prime Minister on everything? So concerned is he that we read that he has asked for good news initiatives with which he could be associated. Does that sound familiar? Perhaps he could be frogmarched to the nearest cashpoint to pay back the young people who will still lose their education maintenance allowance despite this week's U-turn?

We also learn that, as the Lib Dems face catastrophe at the polls, there are plans for a total rethink of their image which, according to insiders, could "even include changing the name and logo".

What a stroke of genius, so may we have a statement from the Deputy Prime Minister on whether he has any plans to change the law on party names and symbols to permit that? It would be a great pity to lose the bird completely. What about a dodo or an albatross, although I am not entirely sure that it would fit on the ballot paper? As for that embarrassing party name, I can quite understand why some Lib Dems want to get rid of it, so why not change it to, say, "the Conservative party" and just get on with it?

Finally, has the Leader of the House seen the Private Member's Bill that is due to be debated tomorrow that would abolish our much-loved national park authorities? Having seen off the Bill to cut the minimum wage, and after helping me to overturn Westminster's barmy byelaw, the right hon. Gentleman is now on a hat-trick, so will he assure the House that he will oppose that measure too, and will he write about it in his blog? The House will have noticed with great sadness that he has not blogged since I began to read it. He once modestly wrote that he is just the B movie after Prime Minister's questions, so may I assure him that if he begins again we will try to make a star of him yet? On that note, I wish the right hon. Gentleman, the Deputy Leader of the House, you, Mr Deputy Speaker, and all Members a very happy Easter.

Sir George Young: I thank the right hon. Gentleman for his kind words about my hon. Friend the Member for South East Cornwall (Sheryll Murray) which were appreciated by Members from all parts of the House. It was a tragedy that took place after she had taken part in a debate on coastguards and marine safety. On recall, as I have said previously, we will keep the position under active consideration. The right hon. Gentleman will know that at the request of a Minister, Mr Speaker can recall Parliament. We will do so if circumstances require it.

On the defection of the Libyan Foreign Minister, there will be an opportunity on Tuesday morning in the debate on humanitarian aid and Libya to update the House. We want to encourage those around Gaddafi to abandon him, and we welcome the further defection, which we hope will allow political transition and real reform to take place. Moussa Koussa is one of the most senior members of the Gaddafi regime, and the Foreign Secretary has regularly been in touch with him, most recently last Friday.

On policing, we welcome the fact that there is a debate on that subject next Monday in Opposition time. It remains our view that the police can make the necessary savings while protecting front-line services and prioritising the visibility and availability of policing. On health, the one change that the Government will not make is the change advocated by the right hon. Gentleman's party to reduce resources for the NHS—cuts that would plunge the NHS into crisis, put at risk cancer drug funds, thousands more health visitors and better support for carers, to which we are all committed.

The right hon. Gentleman took a sideswipe at the two previous Prime Ministers. I am surprised that he wanted to refresh our memory of the Gillian Duffy incident, and the embarrassment of the previous Prime Minister. He then took a side swipe at Tony Blair and his cashpoint policy. The distancing of the Labour party from its history is well under way.

I am happy to say that the Deputy Prime Minister will answer questions at the Dispatch Box on Tuesday. We have extended the length of time for questions to the Deputy Prime Minister to 40 minutes, which will give him ample time to sweep away the somewhat frivolous suggestions that we have just heard from the right hon. Gentleman. Finally, may I reassure the right hon. Gentleman that we will block the Bill to which he referred? We will all miss during the month of April the refreshing contributions that he makes every Thursday morning.

David Tredinnick (Bosworth) (Con): Will my right hon. Friend update the House on the situation in Parliament square before an event at the end of April?

Sir George Young: I welcome my hon. Friend's interest. There may be an opportunity later today in the remaining stages of the Police Reform and Social Responsibility Bill to raise the issue. As he knows, we are changing the law so that in future police will have powers to remove those encampments. In the meantime, we welcome what the Greater London authority has done to remove the encampments on the green. We welcome the enforcement action taken by Westminster city council to deal with the encampments on the pavement, and further discussions are under way between the police and the relevant authorities to make sure that Parliament square is in a fit and proper condition for the royal wedding.

Thomas Docherty (Dunfermline and West Fife) (Lab): The House will be shocked to learn that yesterday, during an evidence hearing held by the Select Committee on Environment, Food and Rural Affairs, the Secretary of State for Environment, Food and Rural Affairs told the Committee that she planned to restart the sale of Forestry Commission land. Will the Leader of the House update us as to why we have had yet another U-turn by the most hapless Secretary of State in Cabinet?

Sir George Young: We inherited an ongoing programme of sales of Forestry Commission land from the previous Government. All new sales of forestry land were halted on 17 February. We will decide on the level of any future sales and the conditions to be attached, but only once we have received advice from the independent panel that we recently set up.

Sarah Newton (Truro and Falmouth) (Con): Will my right hon. Friend find time to allow the Under-Secretary of State for Transport, the hon. Member for Hemel Hempstead (Mike Penning), who has responsibility for shipping, to make an oral statement in the Chamber at the conclusion of the current consultation on plans to modernise the coastguard service? My right hon. Friend will understand that the future of the UK coastguard is of great concern to Members from all nine parties represented in this House and across the UK. During two debates in Westminster Hall, 33 Members were able to speak, but many more were unable to do so because of a shortage of allotted time.

Sir George Young: I welcome my hon. Friend's interest in this important subject. She will know that we have extended the consultation period. The Minister responsible has said that the Government will not give their response to the consultation until the Transport Committee, which is looking at the matter, has reported on it. She will know that this is a genuine consultation. We have already received 1,200 responses and look forward to getting more. The proposals will hopefully deliver a better joined-up and more resilient search and rescue co-ordination service.

Angela Smith (Penistone and Stocksbridge) (Lab): The regeneration of Barnsley town centre depends on Barnsley council being able to access the assets currently owned by Yorkshire Forward, the now defunct regional development agency, and yet the Government are determined to flog them off. May we have a debate on this crucial issue, which is important to communities up and down the country?

Sir George Young: I understand the hon. Lady's concern. My right hon. Friend the Secretary of State for Business, Innovation and Skills is aware of the issue and is looking at the individual assets concerned to see whether he can come to a speedy decision. I will pass on her renewed concern to him and ask him to write to her.

Tom Brake (Carshalton and Wallington) (LD): On the subject of distancing by parties, has the Leader of the House had any request to debate the implications of a party dropping the word "New" from its full e-mail addresses?

Sir George Young: I had not caught up with that piece of information. We look forward to seeing whether there are any further transformations as the Labour party tries to regain popularity with the public outside.

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): The Government were required by law to publish the child poverty strategy and appoint a commission to scrutinise it by midnight tonight. Will the Leader of the House explain the delay, when the strategy will be published and how it feels to be a law-breaker?

Sir George Young: I am grateful to the hon. Lady. This subject has been raised in previous business questions. The answer is that the Government will launch the child poverty strategy before the House rises for the Easter recess. That statement will address the specific point, which she raised, of how the Government intend to proceed on the issue of legality on which she has just touched.

Mrs Anne Main (St Albans) (Con): When asked, the majority of people in this country apparently describe themselves as middle class, yet there are concerns that they are being discriminated against positively. May we have a debate on the hard-pressed, squeezed middle class?

Sir George Young: I hope that I can identify myself with that part of the population. There will be an opportunity to look at that issue during the Second Reading of the Finance Bill. My hon. Friend will know that a wide range of measures have been introduced that I think will be welcomed by the middle class, and indeed by all classes, particularly some of the steps we have taken to promote growth. The freeze on council tax will be welcomed by upper, middle and lower classes, and indeed by every member of this society.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): Earlier this month there was a very disappointing announcement that the Cardiff to Swansea rail line would not be electrified by the Government, a decision that was predicated on what was called an unfavourable business case. In a written answer on 7 March, the Minister of State, Department for Transport, the right hon. Member for Chipping Barnet (Mrs Villiers) said that she would deposit the business case in the Library. It is yet to be deposited. May we have a debate in Government time on the need for observance of the ministerial code and timely responses from the Government?

Sir George Young: I was in the House when my right hon. Friend the Minister made that statement, which was warmly received. I recall that no extra time would be saved by the further electrification to which the hon. Gentleman refers, but I will of course pass on his request for more information to my right hon. Friend and see that it is promptly delivered.

Karl McCartney (Lincoln) (Con): My right hon. Friend will be well aware of my view, which is shared by many Members across the House, that the Independent Parliamentary Standards Authority is an overly expensive and bureaucratic organisation. Will he confirm that I am right to be dismayed, having heard last week that in the near future it will preside over not only our salaries, but our pensions, with the inherent and astronomical costs that that will entail?

Sir George Young: My hon. Friend may know that under the Constitutional Reform and Governance Act 2010, IPSA will assume responsibility not only for

allowances, but for pay and pensions. That is enshrined in statute. We believe that it makes sense to have one body responsible for allowances, pay and pensions, rather than divided responsibilities, which we have at the moment.

John Cryer (Leyton and Wanstead) (Lab): The Leader of the House may be aware that the funding axe is hovering over certain long-standing national health service surveys that provide us all with information about public perceptions. That might not be unconnected with the fact that they show public satisfaction levels to be at an all-time high, roughly double or triple what they were in 1997. I had an Adjournment debate about that yesterday in Westminster Hall, but the answers were not forthcoming, so may we have a statement from the Dispatch Box from the Secretary of State for Health?

Sir George Young: As the hon. Gentleman has said, he has just had an Adjournment debate, and I am not sure that it would make sense immediately after that to repeat it at the Dispatch Box. I will pass on his concern to my right hon. Friend the Secretary of State and see if there is any way he can add to the information he was asked for in the debate.

Mr Peter Bone (Wellingborough) (Con): Yesterday, I made some comments in the House for which I must unreservedly apologise to the Leader of the House, because I gave the impression that he had done a good job and I understand that that has affected his career prospects. To make up for that, would he make a statement next week about having another question time in the House? Would it not be a good idea to have the second most powerful Minister here to answer questions: the Chief Whip?

Sir George Young: I am grateful for my hon. Friend's earlier comments. I think that my career has peaked, so he need not be too worried about jeopardising my future. I am not sure that there is time in the congested programme for ministerial questions to squeeze in my right hon. Friend the Chief Whip, but his door is ever open, as my hon. Friend knows, and he is always particularly pleased to see him.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Last week's Budget did little to help hard-working people up and down the country. More than 55,000 families in Liverpool will pay on average an extra £450 in VAT this year. With inflation at 4.4%, food and energy bills rising rapidly, but wages staying flat, household budgets are really being squeezed. May we please have an urgent debate on falling standards of living and the Government's lamentable response to the problem?

Sir George Young: The short answer is no. We have just had a four-day debate on the Budget, during which there was ample opportunity to make those points. Nonetheless, there will be the Second Reading of the Finance Bill when we return after Easter, during which the hon. Lady will have an opportunity to share her concerns and have them addressed by one of my hon. Friends.

Mr David Nuttall (Bury North) (Con): Given the news that the banks in the Republic of Ireland are likely to need yet another €30 billion bail-out, may we please have a statement on the impact this will have on this

[Mr David Nuttall]

country and, in particular, confirmation that we will not be adding to our existing liability under the Loans to Ireland Act 2010?

Sir George Young: As my hon. Friend knows, the Chancellor of the Exchequer made a statement earlier this year outlining the assistance we are giving to Ireland. Ireland is carrying out stress tests on its major banks. As I know from my time as a Treasury Minister, it is not always helpful to comment from the Dispatch Box on the stability or otherwise of other countries. He will understand if I do not comment any further.

Mr John Spellar (Warley) (Lab): Last week I asked the Leader of the House how we could get an apology from his Cabinet colleague, Baroness Warsi, over the claim she made last year that the Conservatives failed to win an overall majority at the general election because of electoral fraud, predominantly in the Asian community. That accusation was completely refuted last month by the Electoral Commission, which reported that there had been only two prosecutions and one conviction. The Leader of the House generously replied last week that

"I am sure she will have heard what the right hon. Gentleman has said and will want to respond to it in the appropriate way."—[*Official Report*, 24 March 2011; Vol. 525, c. 1103.]

I am sure that he will be shocked to hear that I have heard nothing from her. Will he persuade his colleague to provide an answer?

Sir George Young: I repeat what I said last week: I am sure that my noble Friend will have heard what the right hon. Gentleman has just said. I will make renewed attempts to ensure that he gets a reply to the issues he has raised.

James Morris (Halesowen and Rowley Regis) (Con): May we have a debate about the continued problem of antisocial behaviour in many of our communities? In particular, may we have a debate about the interesting proposals put forward by Baroness Newlove, which outline how communities in places like my constituency can take more control over the problem of combating antisocial behaviour?

Sir George Young: I welcome the Newlove report, which was published yesterday. My hon. Friend might have an opportunity later today in proceedings on the Police Reform and Social Responsibility Bill—perhaps on Third Reading—to develop his points, but we look to act upon Baroness Newlove's imaginative recommendations to encourage local agencies and central Government to change and make a real difference to local communities.

Andrew Miller (Ellesmere Port and Neston) (Lab): Yesterday, Members from all parts of the House received an e-mail from the Financial Secretary to the Treasury with some helpful information about the financial services compensation scheme. The covering note, however, states:

"I hope you will find this helpful in replying to queries.... Please use this letter in responding to any constituent correspondence"

on the subject. Does this mean that specific queries will be ignored by the Treasury? Will the Leader of the House ensure that specific queries on that very important subject are responded to?

Sir George Young: My hon. Friend the Financial Secretary to the Treasury was genuinely trying to assist the House, as I am sure the hon. Gentleman recognises, by letting Members have a response to a question that is asked quite frequently. Of course, it remains the case that any specific requests for more details or information will get prompt consideration from my hon. Friend.

Julian Smith (Skipton and Ripon) (Con): May we have a debate about the daft decision by Her Majesty's Revenue and Customs to force the PAYE system on to town and parish councils?

Sir George Young: I was not aware that that was in the pipeline. There will be an opportunity on Second Reading of the Finance Bill to raise the matter, but in the meantime I will do so with my hon. Friends at the Treasury in order to find out what is going on.

Diana Johnson (Kingston upon Hull North) (Lab): The Read it Together scheme in Hull, which has 200 volunteers working with six or seven children each in 69 schools in the city, has been going for 35 years and is a great success story. All its funding has been cut, however, because of the cut in funding from national Government to Hull city council. May we have a debate about why voluntary sector groups in some of the poorest areas in the country are being let down by the funding from councils and from the coalition Government, especially in areas where there is no private sector involvement?

Sir George Young: I welcome the resources of those who run the Read it Together scheme. We had a debate in February about local government finance, and it is up to Hull city council to decide how best to allocate resources to the scheme. I hope that the council will take those decisions sensibly and sensitively and do what other local authorities have done by protecting worthwhile schemes such as the one that the hon. Lady mentions.

Gavin Barwell (Croydon Central) (Con): I am sure that my right hon. Friend will have seen the article in the *Daily Express* yesterday about the large proportion of the year when the House does not sit. May we have a debate about the parliamentary timetable and the ability of Members to hold the Government to account?

Sir George Young: I did indeed see the article, and of course my hon. Friend will know that when the House is not sitting it does not mean that MPs are not working; there is work to be done in the constituencies. We have made some significant changes to the way in which we organise the parliamentary calendar, and yesterday we actually added four days to the sitting calendar. This year we are going to sit longer than last year and, indeed, the year before, so any implication that we are working less hard is wholly unfounded.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): Given the opaque answer on coastguards provided to the hon. Member for Truro and Falmouth (Sarah

Newton), may we have a debate about the coastguards, either in Government time or Backbench Business Committee time, before the relevant consultation ends? That would allow the Government to show how seriously they take our maritime insurance policy, namely the coastguards, especially as the two debates in Westminster Hall were inadequate in both time and structure.

Sir George Young: I am not sure that those two debates in Westminster Hall were inadequate; they enabled a large number of people to speak. I have no plans to hold another debate in Government time, but as I said earlier the Transport Committee is conducting an inquiry into the matter, and that might be an opportunity for the hon. Gentleman to make any points that he feels have not already been made.

Paul Flynn (Newport West) (Lab): As no nuclear power station has ever been built on time or on budget, is there not an urgent need to extend the review of nuclear power in this country to include the cost, the timetable and the danger of an attack from a terrorist group—and in order to give the Deputy Prime Minister the opportunity to explain to the House his view that the fallout from Fukushima, both radioactive and political, may make our nuclear plans unaffordable?

Sir George Young: It remains the Government's policy that nuclear has a key role to play in future power supply. We are doing a review under Dr Weightman to see whether there are any lessons to be learned from what has happened in Japan, but there was enough delay to the matter under the previous Government, and we do not propose to add to that any more.

Chris White (Warwick and Leamington) (Con): In south Leamington Spa, an employment club has been set up in the Brunswick healthy living centre, and it is proving successful at getting people back into work. It costs just £27 an hour to run and has so far helped more than 100 people, of whom 18 are now in employment again. Will the Leader of the House provide Government time for a debate about measures to boost employment and the use of such job clubs elsewhere?

Sir George Young: I welcome what my hon. Friend says about the work club in his constituency. He will know that, in the Budget the week before last, the Chancellor included additional funding for work clubs—for precisely the reason that my hon. Friend gives. They are effective ways of helping those who are out of work to find work; they give support to them in making contacts, finding opportunities and helping with CVs; and we very much want to continue our support for those worthwhile organisations.

Mr David Winnick (Walsall North) (Lab): Given the situation in Libya, it seems unlikely that the House will not be recalled during the three-week recess, and I hope that the Leader of the House will reaffirm what he said a few moments ago. Can the House be informed, however, about the position of Libya's former Foreign Minister, who undoubtedly had a great deal of involvement with terrorism? Should not the House be told as much information as possible about Lockerbie? As the person who effected it first and foremost, he would have the maximum amount of information, which I hope he would be willing to reveal to the British authorities.

Sir George Young: As I said in response to the shadow Leader of the House, we will keep under review the need to recall the House. We have kept the House in the picture on Libya, with regular statements and debates in Government time, and there will be another opportunity on Tuesday to address the situation there. I believe that my right hon. Friend the Secretary of State for International Development, who will open that debate, will update the House on the position, and if the hon. Gentleman is here on Tuesday, he may have an opportunity to speak in the debate and to develop the point that he has just made.

Christopher Pincher (Tamworth) (Con): A number of small to medium-sized enterprises in my constituency, Alcon, Forensic Pathways and Aspire to name just three, have raised concerns about the excessive bureaucracy that they have faced in the past, so will my right hon. Friend arrange for a debate about the reduction of bureaucracy for SMEs, so that we can learn more about what the Government propose to do to help such businesses to do more business?

Sir George Young: I am grateful to my hon. Friend, who will know that the issue was covered to some extent in our debate about the Budget. We want SMEs to be the drivers of growth in this country, and there was a deregulation package in the Budget. We have extended the small business rate relief holiday, increased the SME rate for research and development tax credits and created enterprise zones, so I think that the Government are doing a lot to encourage SMEs to grow and develop.

Nic Dakin (Scunthorpe) (Lab): I declare my interest as a former college principal.

I was astounded to hear the Secretary of State for Education say on Monday that further education colleges, which the majority of post-16 students attend,

"do not have cafeterias or kitchens in place."—[*Official Report*, 28 March 2011; Vol. 526, c. 59.]

Will the Leader of the House arrange for the Secretary of State to come to the House and put the record straight by apologising to students, staff and governors in colleges?

Sir George Young: I will relay those remarks to my right hon. Friend. I think he said "some" do not have those facilities, rather than "all", but I will certainly relay the hon. Gentleman's concern. As someone with an FE college in his constituency, I know that there was considerable confusion about the capital programme under the previous Government, and we are now busy trying to recover from that.

Brandon Lewis (Great Yarmouth) (Con): Businesses in my constituency and, indeed, the New Anglia local enterprise partnership are excited by the Chancellor's announcement of enterprise zones, which my right hon. Friend the Leader of the House has just mentioned. Will he arrange for a debate in the House about the effect that such zones will have on the local economies of the areas where they go and, indeed, on the national economy?

Sir George Young: I am slightly surprised that the Opposition have not chosen enterprise zones as the subject for a debate on Monday. In view of the large number of Labour MPs who want one in their constituency,

[Sir George Young]

it would have been a popular subject for the Opposition to have chosen, but my hon. Friends in the Treasury will have noted the substantive bid that my hon. Friend has just made.

Kerry McCarthy (Bristol East) (Lab): I gather that after last week's business questions, when the issue of the child poverty strategy was raised, there was then a frantic ring-round of child poverty campaign groups telling them that the strategy would be launched next Tuesday—5 April. Can the Leader of the House tell us why he did not think it fit to tell MPs that that was going to happen, and why it is being left until the last day before the recess when we are on a one-line Whip and not many MPs will be around? What is he trying to hide?

Sir George Young: Next Tuesday is a sitting day, and it seems an appropriate day on which to make a statement. I hope that the hon. Lady is not implying that I misled the House in any way in last week's business statement, when I announced the business that I knew was forthcoming, as I have done this week. In response to an earlier question from the hon. Member for Washington and Sunderland West (Mrs Hodgson), I indicated that before the Easter recess the Government would make a statement on the child poverty strategy and deal with the legal situation that she raised with me.

Henry Smith (Crawley) (Con): Can consideration be given to a debate on the criteria that mortgage lenders use to approve loans, particularly with respect to those who carry out community work? I have an example in my constituency of a foster carer whose legitimate income from community work is being denied by a major UK mortgage provider. I would very much welcome consideration of that.

Sir George Young: I am sorry to hear of the problems that confront my hon. Friend's constituent. This might be an appropriate subject for an Adjournment debate, or he might like to raise it with Treasury Ministers to see whether they could pursue it with the mortgage lender to which he referred.

Mike Gapes (Ilford South) (Lab/Co-op): Can we have an early debate on the contradictions between Government Departments' policies? In particular, can he get the Secretary of State for Education to come here to explain why his Department, in connivance with the free schools organisation, E-ACT, has conspired with the Conservative-Liberal leadership of Redbridge council to evict, without consultation, elderly groups, ethnic minority groups, young people's groups and disabled groups from a community centre in my borough without any right of scrutiny or recall?

Sir George Young: I will share the hon. Gentleman's concerns with my right hon. Friend the Secretary of State. I say to the hon. Gentleman, however, that there is a real appetite in many parts of London for a free school. The legislation has been warmly welcomed and a number of parents are very anxious that this initiative should be developed with great speed.

Neil Carmichael (Stroud) (Con): In my constituency, farmers and residents are struggling to make known their views about the plans for reviewing the Severn estuary flood arrangements through the Environment Agency. There is concern about the need to listen to local views. May we therefore have a debate about the accountability mechanism for the Environment Agency, to encourage it to embrace a localism agenda?

Sir George Young: I am sure that the Environment Agency will have heard what my hon. Friend has said. It very much wants to work with community groups. I do not know whether he has flood wardens or flood action groups in his constituency, but the Environment Agency would very much like to liaise with them as it develops its plans and orders its priorities. I will bring his remarks to the attention of the EA.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Given the bombshell in the Chancellor of the Exchequer's Budget speech about sweeping away planning protections, our green spaces and green belt are now vulnerable to any developer. Can we have an urgent debate on this, because middle-class folk, and all classes, are very concerned about the threat to our green spaces and our green belt? We have the local elections on 5 May. Surely the Government should come clean on green belt and green space protection before people vote in those elections.

Sir George Young: Green belt is specifically protected, so the hon. Gentleman should not have any concern about that. The rest of this issue lies in the context of the Localism Bill and the national planning strategy, and the hon. Gentleman should wait and see how the policy is developed in July.

Bob Blackman (Harrow East) (Con): Last year, we had the second highest recorded level of anti-Semitic incidents, and there is a strong feeling in the Jewish community that anti-Semitism is on the rise. Clearly, we as MPs have a right and a duty to set an example, but Cabinet Ministers have an even greater responsibility. Can the Leader of the House remind his right hon. Friends that it is unacceptable to accuse other colleagues of being Nazis or using Goebbels-type tactics in the media?

Sir George Young: Yes, I agree that not only Cabinet Ministers but every Member of the House should be very careful about the language that they use. I will certainly draw my hon. Friend's remarks to the attention of my fellow Ministers. I am sure that you, Mr Deputy Speaker, will do all you can to ensure that no inappropriate remarks are made in this Chamber.

Nick Smith (Blaenau Gwent) (Lab): This week at the Ebbw Vale metallurgical society, I met the top brass from the Tata steel company. They are very concerned about the Chancellor's carbon floor price proposals, which impose massive unilateral costs on the UK steel industry—costs that no other European country will enforce. Can we have a statement from the Energy Secretary and a debate on this issue?

Sir George Young: As the hon. Gentleman knows, the Administration are committed to moving towards a less carbon-intensive future. At Business, Innovation and

Skills questions earlier—he may have been in his place—my right hon. Friend the Secretary of State said that he would have a good look at those who are intensive users of energy to see whether the problem that the hon. Gentleman has described might be overcome.

Points of Order

1.15 pm

Paul Flynn (Newport West) (Lab): On a point of order, Mr Deputy Speaker. Two worrying claims have been made about our troops in Afghanistan. One of those was today's report from the National Audit Office, which suggests that two out of three deliveries of vital equipment are not arriving in time. Another claim made is that bullet-proof vests are not being supplied, in order to provide funds for the alternative vote referendum. Have you news of any statement to the House that can point out the seriousness of the first claim and the stupidity of the second?

Mr Deputy Speaker (Mr Lindsay Hoyle): There is no indication of such a statement being made. I know that the hon. Gentleman recognises that that is not a point of order, but it has certainly gone on the record, and I am sure that the Secretary of State for Defence will have taken notice.

Andrew Miller (Ellesmere Port and Neston) (Lab): On a point of order, Mr Deputy Speaker. In September last year, the Independent Parliamentary Standards Authority wrote to all honourable colleagues about employer liability insurance, telling us that it was going to expire today. Last week, it issued its new guidelines. Included in those guidelines was section 10.8, which tells us that we can claim for employer's liability insurance and public liability insurance. Today, and in some cases yesterday, some Members but not all Members—I did not receive it—were sent an e-mail saying:

"Please find attached your Employer's Liability Insurance certificate to be displayed".

This is not only causing concern and additional work to our staff, who are rigorously ensuring that we are properly protected, but will waste public money. Will you, Mr Deputy Speaker, perhaps in liaison with the Leader of the House and his shadow, ensure that proper guidance is issued urgently to MPs so that what is actually the case is very clear?

Mr Deputy Speaker: That is not a point of order, but the hon. Gentleman has raised a very important point. Perhaps the Leader of the House would like to make a comment—it is up to him.

The Leader of the House of Commons (Sir George Young): I am sorry if the hon. Gentleman has not received the e-mail, which I certainly received yesterday, and which had attached the certificate to be pinned up in my office and all the relevant offices. I will find out from IPSA what has gone on.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): On a point of order, Mr Deputy Speaker. May I raise the fact that there seems to be no consultation with Members of Parliament on the closure of the Members' services centre in Portcullis House? It came as a total surprise to me when a member of staff said that it is all to be closed down imminently. If that is the case, it is disgraceful that Members of this House have not been consulted properly.

Mr Deputy Speaker: That is not a point of order, but it is a matter for the House of Commons Commission, and I am sure that the hon. Gentleman's voice will have been heard.

Police Reform and Social Responsibility Bill

[2ND ALLOCATED DAY]

Further consideration of Bill, as amended in the Public Bill Committee

New Clause 1

POWER FOR LICENSING AUTHORITIES TO SET FEES

(1) The Licensing Act 2003 is amended as follows.

(2) After section 197 insert—

“197A Regulations about fees

(1) Subsection (2) applies where the Secretary of State makes regulations under this Act prescribing the amount of any fee.

(2) The Secretary of State may, in determining the amount of the fee, have regard, in particular, to—

(a) the costs of any licensing authority to whom the fee is to be payable which are referable to the discharge of the function to which the fee relates, and

(b) the general costs of any such licensing authority;

and may determine an amount by reference to fees payable to, and costs of, any such licensing authorities, taken together.

(3) A power under this Act to prescribe the amount of a fee includes power to provide that the amount of the fee is to be determined by the licensing authority to whom it is to be payable.

(4) Regulations which so provide may also specify constraints on the licensing authority's power to determine the amount of the fee.

(5) Subsections (6) and (7)—

(a) apply where, by virtue of subsection (3), regulations provide that the amount of a fee is to be determined by a licensing authority, and

(b) are subject to any constraint imposed under subsection (4).

(6) The licensing authority—

(a) must determine the amount of the fee (and may from time to time determine a revised amount),

(b) may determine different amounts for different classes of case specified in the regulations (but may not otherwise determine different amounts for different cases), and

(c) must publish the amount of the fee as determined from time to time.

(7) In determining the amount of the fee, the licensing authority must seek to secure that the income from fees of that kind will equate, as nearly as possible, to the aggregate of—

(a) the licensing authority's costs referable to the discharge of the function to which the fee relates, and

(b) a reasonable share of the licensing authority's general costs;

and must assess income and costs for this purpose in such manner as it considers appropriate.

197B Regulations about fees: supplementary provision

(1) Subsections (2) and (3) apply for the purposes of section 197A.

(2) References to a licensing authority's costs referable to the discharge of a function include, in particular—

(a) administrative costs of the licensing authority so far as they are referable to the discharge of the function, and

(b) costs in connection with the discharge of the function which are incurred by the licensing authority acting—

(i) under this Act, but

(ii) in a capacity other than that of licensing authority (whether that of local authority, local planning authority or any other authority).

(3) References to the general costs of a licensing authority are to costs of the authority so far as they are referable to the discharge of functions under this Act in respect of which no fee is otherwise chargeable and include, in particular—

- (a) costs referable to the authority's functions under section 5;
- (b) costs of or incurred in connection with the monitoring and enforcement of Parts 7 and 8 of this Act;
- (c) costs incurred in exercising functions conferred by virtue of section 197A.

(4) To the extent that they prescribe the amount of a fee or include provision made by virtue of section 197A(3) or (4), regulations may—

- (a) make provision which applies generally or only to specified authorities or descriptions of authority, and
- (b) make different provision for different authorities or descriptions of authority.

(5) Subsection (4) is not to be taken to limit the generality of section 197."

(3) In section 10(4) (sub-delegation of functions by licensing committee etc)—

- (a) omit "or" at the end of paragraph (c), and
- (b) after paragraph (d) insert "or
- (c) any function conferred by virtue of section 197A (regulations about fees).";—(*James Brokenshire.*)

Brought up, and read the First time.

1.8 pm

The Parliamentary Under-Secretary of State for the Home Department (James Brokenshire): I beg to move, That the clause be read a Second time.

The new clause addresses the point about the local setting of licensing fees that was debated in the Public Bill Committee. I welcome the hon. Member for Kingston upon Hull North (Diana Johnson) to the Opposition Front Bench. She will recall the discussions that we had on this point in Committee. I welcome other Members who sat on the Committee, and other hon. Members who are present.

In my response to the consultation on the Bill, I said that we intended

"to enable licensing authorities to set licensing fees based on full cost recovery".

Since then, as I confirmed in Committee, I have been working with colleagues across Government to ensure that we achieve that aim in a way that is fair to all sides. I know that fee payers will be concerned about a change that is likely to see fee income rise overall. However, the fact is that licensing fees have not been increased, even for inflation, since the Licensing Act 2003 came into force in 2005.

The new clause does not represent a change of principle. The current fees are supposed to cover the legitimate costs of licensing authorities in discharging their functions under the 2003 Act. However, there has been widespread agreement for some time that they do not achieve that. The previous Government recognised the problem, and promised an independent review of their proposed fees as early as 2004. The independent panel published its report, known as the Elton report, in December 2006. The recommendations included an increase in fees, but no action was taken. Therefore, the question for this Government is not whether the situation needs to be addressed, but how best to address it.

We could set the fees centrally again, which would have the advantage of providing consistency for fee payers. However, I have chosen to move to set fees locally because I consider that it may be difficult to achieve a close approximation to full cost recovery with nationally set fees. Different areas do not have the same costs, and it is unavoidable that a blanket fee level would leave some councils with a deficit or provide an excessive income to others. No system is ideal, but as a matter of principle, council tax payers in areas with higher costs should not subsidise the administration of the licensing regime, and fee payers in lower-cost areas should not fund wider council activities.

Fee payers should be reassured that locally set fees will not mean that licensing authorities can set whatever fees they like. First, they will only set the level of the fee. They will not be permitted to design new fees or their own fee structure; nor will they be able to use licensing fees as an income stream. The only basis on which they will be able to set fees is to recover their costs in discharging their functions under the 2003 Act. I will issue guidance to local authorities on the setting of fees, including statutory guidance under section 182 of the 2003 Act. To ensure that costs are kept to appropriate levels, that will include guidance on the principles of good regulation, including risk-based and targeted inspection.

To provide further reassurance to fee payers, there will be a nationally set cap on fee levels. Under the new clause, that is provided for by the ability of the Secretary of State to apply constraints to the licensing authority's ability to set fees. I intend that the level of the cap will be set in regulations after consultation. The consultation will contain a detailed impact assessment of the proposal.

In short, this measure is an important step towards ensuring that the Licensing Act 2003 works as it was intended to work, with fees fully funding licensing authorities' administration of the Act.

Diana Johnson (Kingston upon Hull North) (Lab): As the Minister pointed out, we debated this issue in the Public Bill Committee on the basis of an Opposition amendment. I am pleased, because he has obviously listened carefully to the arguments that we made. The Opposition were clearly championing the localism agenda, which I know is close to the heart of the coalition Government, so I am pleased that they have decided, at this late stage, to bring forward an amendment of their own on the issue.

We have heard from local government that since 2005, when the regulations of the Licensing Act 2003 were implemented, the licensing system has cost council tax payers more than £100 million more than was anticipated because of the centrally set fee structure. As the Minister said, that structure does not allow licensing authorities to set cost-neutral local charges.

As the Minister pointed out, the Government had indicated that they were considering giving licensing authorities the power to set licensing fees based on full cost recovery. I am sure that there has been considerable interdepartmental wrangling on this issue, and that that is why the new clause has been brought forward rather late in the day on Report. A number of trade organisations, the Local Government Association and others were concerned to see the original clause in the Bill, so no doubt they will be pleased to see this new clause. However, I wish to raise a number of issues with the Minister.

1.15 pm

In the current economic climate, with local authority budgets being squeezed, it needs to be clear to local authorities what funding will be available to them and what charges they will be able to set. It would be helpful if the Minister said when he believes the new fees structure will be implemented so that local authorities can begin to amend their budgets accordingly.

We also discussed at length in Committee the new fees framework for the late-night levy. It is the view of a number of organisations that a new fees structure is far preferable to the bureaucratic and complicated late-night levy scheme that is to be introduced by the Government. Only a minority of authorities would be able to utilise the late-night levy, and it clearly does not address any of the pre-midnight alcohol-related issues that we talked about at length in Committee. The LGA feels that including the new fees framework in the Bill is the quickest and simplest way to remedy the problem, rather than using the late-night levy solution.

Businesses have raised concerns about the new scheme. As I have set out, there is concern about the current economic climate. A number of small businesses are concerned that they may have to pay considerably more for licence applications and in fees to their local authority. It was clear in the amendment that we tabled in Committee, just as it is in the new clause, that fee levels would be restricted.

In Committee, I referred to what has happened under the Gambling Act 2005, which gives a discretion to set fee levels within nationally set bands. The Department for Culture, Media and Sport undertook a three-stage high-level review of the premises licence fees set by licensing authorities in 2007-08 under that scheme. The overall conclusions of the review were that there was no justifiable concern about the level of the fee maximums set by DCMS from either an industry or a licensing authority perspective, and that the introduction of the new system appeared to be working well and had produced a good spread of premises licence fees among licensing authorities, with no obvious systematic setting of fees at the maximum level. Clearly, the matter has to be kept under review. Will the Minister carry out a similar review after a short period to check what is happening up and down the country?

In Business, Innovation and Skills questions earlier today, the Secretary of State reiterated the one-in, one-out policy for regulation. Under the Bill, a number of new burdens are being placed on business, such as the vicinity test, which will have an impact on the costs of the applications process for businesses. We know from the Home Office impact assessment that the annual cost of reform to the industry will be between £21.5 million and £52.1 million, with the best estimate being £36.8 million. The Association of Licensed Multiple Retailers estimates that the average cost per pub will be from £1,842 to £5,280, but could double with reform of the annual fees. I am interested to know whether the Minister feels that the Bill will take any regulatory burden away from businesses in relation to fees.

Proposed subsection (6)(a) of the new clause sets out that there will be an opportunity for local authorities to change the fees from time to time. Can the Minister give any indication of what he thinks the time scale for such changes will be? For instance, does he think that fees would be set for a minimum of three years, or

longer? Businesses have to plan their budgets and need to be clear about any additional costs that they will have to meet.

Will businesses in the late-night economy that already contribute time and money to schemes such as Best Bar None and community alcohol partnerships be credited with a reduction in the licence fee? Is there any opportunity for local authorities to provide such credit?

Although the Bill sets out a sufficiently flexible and clear framework, the amendment that the Opposition tabled in Committee would have provided licensing authorities with an opportunity to exercise discretion to reduce or waive fees for individual premises or events for organisations such as charities or voluntary sector groups, or for those benefiting from small business rate relief. Can the Minister confirm whether that discretion will be available to local authorities under the new clause? We need to see the details of how the fees will operate, and we look forward to seeing the draft regulations as soon as possible.

The Elton report on fees, which the Minister mentioned, made it very clear that local authorities could benefit from sharing best practice about how licence fee applications were dealt with. It made recommendations about using staff involved in related activities in local government and using good communication and mediation to avoid expensive appeals. What thought has he given to those specific recommendations, which could enable local authorities up and down the land to share best practice?

Will the Minister be clear about what local authorities will be allowed to charge for under the new clause? They clearly incur costs in dealing with licence applications, but what about the costs of the work that responsible authorities do in examining applications? I refer in particular to the involvement of the police, but the Minister will know that under clause 105, primary care trusts are also to become responsible authorities. Could any costs of their work in providing information to a licensing committee be charged for? Will the Minister also confirm whether the local authority will be able to include the costs of the work of trading standards under its enforcement powers in deciding on the level of fees?

Costings will need to be provided in a clear and transparent way, so that businesses understand exactly what they are paying for. I hope that that will be set out clearly in the guidance that the Minister referred to. Finally, when does he think the new fees regime will come in?

Dr Julian Huppert (Cambridge) (LD): It is a great pleasure to continue this reunion event of the Public Bill Committee into a second day, and to follow the hon. Member for Kingston upon Hull North (Diana Johnson), particularly as I had the great pleasure of being able to read some of her words in the briefings that I, too, received. That helped me to follow some of the details. I do not wish to detain the House for long in speaking to the new clause.

First, I should put on record that I am a vice-president of the Local Government Association, and in that capacity I am delighted to be able to welcome this change, for which the LGA has pressed for a very long time. Not for the first time, I extend my thanks to the Minister for taking this and many other issues seriously,

and for the time that he has taken to have meetings outside the Bill Committee structure on a range of issues.

It is right that the system should not impose a cost on councils. The fundamental problem with the current system is that it has been a huge drain on council resources at a time when councils have many other things to do and many other calls on the public purse. Rather unusually, I am not going to blame the previous Government and say that they got it wrong on purpose. I believe that the fees were simply wrongly set, and that the required updates have not been made. I do not think the intention was to make councils pay, but that was how it evolved.

It is important that we move from the previous Government's approach of having things set centrally to a more localist agenda. Councils should be free and have more power. For example, it should be open to a council to set fees below the cost-recovery level if, for some reason, it felt that an important thing to do. I am not entirely sure why taxpayers might feel that that was the right thing to do, but then councils should be allowed to do things for which I do not understand the reasoning. Indeed, on many occasions they do so.

I will not go through all the details of the new clause, as the hon. Member for Kingston upon Hull North mentioned them. However, I have one concern to put to the Minister. He talked about the Secretary of State's powers and used the word "cap". He will be aware that we had discussions yesterday on concerns about the Secretary of State's capping powers over the police precept. I understand where the Minister is heading and why he wants such a power in this case, but can he assure me that he wants the Secretary of State's capping power to be used rarely, and that, ideally, it should not be the driving force as it has been in other cases in local government, such as police precepts?

I am delighted to see the new clause, and I thank the Minister again on behalf of the Liberal Democrats, and on behalf of the LGA as one of its vice-presidents.

Justin Tomlinson (North Swindon) (Con): Although I was not a member of the Committee, I declare an interest as the vice-chair of the all-party leisure group and a former nightclub manager. I spent a number of years in the late-night economy, and I stress that 99.9% of people who go out and enjoy their time in the evenings are good, responsible people out for an office party, leaving do or birthday party. The problems are all about dealing with the small minority.

One reason why I wished to speak was to make a point about transparency. It is in the interests of venues to have a safe environment, and the licensing authority can ensure that. I wish to make a few points about the late-night levy. I have met a number of representatives of venues, and of course nobody likes paying extra money, but it is very much in their interests that the money from the levy is used to create a safe environment. I should like the venues to have a greater opportunity to help to shape how the money is spent. My understanding is that local authorities will receive 30% of it and 70% will go to the police. The venues, which pay that money, should help to shape that decision. Ultimately, the final decision should be for the police or the local authority, because they are the ones who are accountable, but the venue owners see the situation at first hand.

In the areas where I worked, I saw that when people were enjoying themselves, they were generally well behaved, but when they wanted to go home, they found themselves unable to do so. I would therefore have suggested that the money from the levy be spent on a taxi rank co-ordinator in my area, so that people could get home swiftly and efficiently. In other areas, the venues might suggest that there should be better lighting, because generally, where there is good visible access there is a lot less trouble than in areas with only a handful of people around, which are not so well policed. My plea is that the Government ensure that there is transparency, and that venues that contribute to the late-night levy have a say.

Andrew Percy (Brigg and Goole) (Con): I come at the matter from a different viewpoint from my hon. Friend's, because I used to be the chairman of the licensing authority in the city of Hull. Transparency is important on the late-night levy, and on fees in general, but do we not have to ensure that we get the split right, too? When I was the licensing chairman, many of the solutions to problems in the late-night economy came from the council rather than from the police. We should therefore keep the percentage split under review at all times.

Justin Tomlinson: That is a valid point, and my hon. Friend speaks with first-hand experience and authority. The layout of the night-time economy is different in every town, which means that each town creates unique challenges that either the local authority or the local police must challenge. That is why I keep coming back to the need to ensure that venues feed into the system. The people who run them will know where the minority of people are generating problems.

Steve McCabe (Birmingham, Selly Oak) (Lab): I very much agree with the hon. Gentleman. Does he think it is important that nothing in the proposals detracts from existing models of good practice in arrangements involving the police, the local authority and the business community, such as the one in Broad street in Birmingham?

1.30 pm

Justin Tomlinson: I absolutely agree, and I am familiar with Broad street—I have seen how it has been transformed into a relatively safe place over the years. There will always be a minority who cause problems, but if local late-night economy establishments, the local authority and the police work together proactively, they can transform an area. Although it is a burden to pay additional fees through the late-night levy, the venues will be paid back, because if more customers can see that the levy has created a safe environment, they will have the confidence to go to the venues and spend money.

Nigel Mills (Amber Valley) (Con): My hon. Friend said that every town is different, and I am interested in his experience of running a late-night venue. The Bill would apply the provision to a whole council area, and not just to one town in it. As a nightclub owner, would he have been happy to pay for problems in a different town, and for none of his money to be spent in his town?

Justin Tomlinson: My understanding is that that is why picking areas has been delegated to local authorities. I would extend it so that the measure is venue-specific.

[Justin Tomlinson]

There are some proactive, good venues and there should be an incentive to encourage that; the opposite should apply to establishments that are perhaps less proactive and more responsible for the minority of problems.

Penny Mordaunt (Portsmouth North) (Con): I agree absolutely with my hon. Friend's last point. The measure would be very effective in creating a safe environment in some areas of Portsmouth such as Guildhall walk, but in the north of the city, which I represent, many venues have no problems at all, and yet they would be severely penalised by such fees.

Justin Tomlinson: To sum up on that point, my plea is for common sense to be applied to each local area. I would go one step further. The Best Bar None and various Pubwatch schemes are so essential that they ought to be compulsory. It should be part of the licensing arrangement that somebody who is responsible for a venue attends those meetings. Clearly, the best examples are when local authorities, the local police and local venues work together. It is unacceptable if a late-night economy venue does not proactively participate in such schemes, so I would include such participation as a condition of the licence.

James Brokenshire: This has been a useful debate, and I welcome the contributions from the hon. Members for Kingston upon Hull North (Diana Johnson) and for Cambridge (Dr Huppert)—I am grateful for the hon. Gentleman's kind comments and thank him for his support and participation in Committee—and my hon. Friend the Member for North Swindon (Justin Tomlinson).

Obviously, new clause 1 relates to the general setting of licensing fees and the administration of the Licensing Act 2003 locally, rather than to the late-night levy. I recognise the points that my hon. Friend the Member for North Swindon has just raised, and perhaps we will debate the late-night levy in further detail when we debate another group of amendments in this part of our consideration of the Bill.

The late-night levy is a discretionary arrangement, so local authorities can decide whether one is appropriate in their area. The Government have indicated that there could be exemptions for establishments that make arrangements under schemes such as Best Bar None. Further detail will come forward in regulations and guidance, as I indicated in Committee, which I hope my hon. Friend accepts.

The hon. Member for Birmingham, Selly Oak (Steve McCabe) mentioned in an intervention the business improvement district in Broad street, Birmingham, which I have had the pleasure to visit. I saw how that partnership-type approach of drawing together the relevant licensed premises and other businesses to provide funds to look after and manage the area. A sad and tragic occurrence led to the establishment of that business improvement district, but it is a good example of how partnership working involving the police, the local authority, licensed premises and other businesses can work.

The Government do not seek to prescribe one specific model of partnership or how partnerships operate, or to say how a local authority should approach its management of licensing-related issues. Those things

can be done in various ways, including through a business improvement district, a late-night levy, an early morning restriction order or voluntary arrangements such as community alcohol projects. I went to see the St Neots project when that started, and it is now being rolled forward. We support many such consensual voluntary arrangements whereby various parts of business work with local councils to come up with innovative, practical solutions to address problems on the ground.

The hon. Member for Kingston upon Hull North and others highlighted a number of specific points in relation to new clause 1. As she said, the previous Government tasked the independent fees review panel with consideration of the deficit between the costs and income of licensing authorities. In 2006, it estimated that a 7% increase in fee income was necessary for full cost recovery. Obviously, important points were made in the course of that review and, as I indicated, it was first and foremost in our considerations in introducing the new clause. The Government did not suddenly alight on the new clause at the last moment. Indeed, the original consultation document, which we published last summer, clearly refers to fees. In addition, full cost recovery was very much part and parcel of the consultation, to which we are therefore responding.

We will issue statutory guidance under section 182 of the 2003 Act on the application of good regulation, including risk assessment and targeted inspection, to which licensing authorities must have regard. That will be important as a further framework to the structure of the new arrangements.

Hon. Members mentioned burdens on business. We are obviously cognisant of statements in the recent Budget and the intention to introduce a moratorium to exempt micro and start-up businesses from new domestic regulation. There will be exemptions from the moratorium, and we will obviously need to consider the new licensing legislation, including locally set fees, within that framework. However, I say to the hon. Member for Kingston upon Hull North that there is a clear need to address the gap highlighted in the Elton report. It does not seem right for local authorities effectively to subsidise the processing and activities of the 2003 Act when dealing with licensing arrangements, and I shall say more about that.

Diana Johnson: Will the Minister therefore confirm that the one-in, one-out principle will not apply in relation to the Bill, which certainly places a range of regulatory burdens on business?

James Brokenshire: The hon. Lady actually made that point in Committee. The Government take one-in, one-out seriously. Regulatory burden was considered closely and carefully during the approvals that led up to the Bill, as part of our broader consideration of the wider arrangements concerning burdens on business. We want to strip away things that are not needed, bureaucratic and unnecessary, but we will come to that in due course when we consider the next group of amendments, which relate to alcohol disorder zones, which clearly have not worked, because no one has taken them up. We obviously consider the new clause to be an important step towards getting the right balance.

The hon. Lady mentioned periodically reviewing the maximum fee level. That is certainly something that we will do. As I said in my opening comments, we also

intend to consult properly on the details of the proposals, so that we can take on board the different opinions. There will, therefore, be an opportunity for a number of these matters to be considered further. The hon. Lady asked about the time scale for that. We anticipate that the necessary regulations will be laid in October 2012 to allow that detailed consultation to take place. That is the time scale we are working to in the laying of the relevant regulations. She also asked about guidance. There will be guidance on how locally set fees will operate and on how to set the fees. It is important that there is transparency on how this is undertaken—in many ways, that reflects the comment from my hon. Friend the Member for North Swindon—and clarity on how the fees will be set locally.

A question was asked about what the assessment for setting fees locally will include and what full cost recovery will encapsulate. The new clause makes it clear that the costs that a licensing authority may recover in its fees include those of other responsible authorities and other relevant parts of the licensing authority. That means that marginal costs that relate to duties arising from the Licensing Act can be included. However, policing costs would not be included. In other words, we are looking at the administration of the Act by the relevant local authority. That is how the new clause has been framed. Obviously, however, further consideration of the details can take place as part of the consultation as we move towards introducing the regulations that will sit behind this provision. That also applies to the necessary guidance that will help to inform the framing of the arrangements. Obviously, fees must not represent a blank cheque for local authorities, and fee payers need to be reassured of that. As I have said, a maximum level for each fee will be set in regulations. We will consult formally on the level before we introduce it, and will take evidence from a variety of authorities and fee payers to ascertain the satisfactory maximum sum for each fee.

I hope that I have addressed hon. Members' comments made during the debate. I also hope that all hon. Members will recognise that this is a sensible proposal, that we have listened to representations made from different quarters and that this provision will deal with the shortfall for local authorities. We are introducing the measure in a considered way, recognising the pressures on local authorities and businesses, and we believe that it is appropriate. We consulted on the new clause last August, and I hope that hon. Members will be minded to support it.

Question put and agreed to.

New clause 1 accordingly read a Second time, and added to the Bill.

New Clause 2

ALCOHOL DISORDER ZONES: REPEAL

'Sections 15 to 20 of the Violent Crime Reduction Act 2006 (alcohol disorder zones) are repealed.'—(James Brokenshire.)

Brought up, and read the First time.

James Brokenshire: I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss Government amendment 56.

James Brokenshire: New clause 2 will repeal the previous Administration's alcohol disorder zones. This optional power for local authorities was so well considered and useful that it has been completely unused by local licensing authorities to date. Alcohol disorder zones were heavy on bureaucracy and potentially expensive to introduce and administer. I am genuinely sorry that the hon. Member for Bradford South (Mr Sutcliffe) is in his place to hear me say this, because he was involved in the consideration of these zones. I recognise some of the challenges that he probably faced at the time in trying to introduce the policy, but we believe that it is time to call time on alcohol disorder zones. The Government do not believe that they are the right approach to tackling alcohol-related nuisance, annoyance or crime and disorder, and as such we seek their repeal.

Alcohol disorder zones were designed to tackle areas with a specific problem with alcohol-related nuisance, annoyance or disorder. To apply a zone, a licensing authority was required first to gather evidence that a specific area was responsible for causing alcohol-related nuisance, annoyance or disorder. Adoption of a zone further required that all premises subscribed to an action plan. If there was evidence that the action plan had failed, local authorities could impose a charge on local businesses to pay for additional enforcement, but had to provide a calculation of the cost of enforcement in order to levy the charge. That was a prohibitive bureaucratic process.

1.45 pm

Michael Ellis (Northampton North) (Con): Does the Minister agree that one of the unattractive features of the disorder zone plan was that it required areas to be described, or to describe themselves, as places of disorder? In itself, that was a most unattractive prospect.

James Brokenshire: It would be fair to say that it probably was not the biggest selling point of the policy to have that tag attached to a local area. It was probably, therefore, one of the disincentives. However, the problem had more to do with the levels of bureaucracy, including the impact of making some of the extremely challenging calculations necessary. I do not think that any local authority has felt brave enough to come forward. The Government are committed, therefore, to reducing the burden. The tools and powers available to local authorities must be simple to adopt and proportionate to the problem. Early morning restriction orders, for example, will, by stopping the sale of alcohol, be a simple way for local authorities to tackle specific problems at specific times and on specific days. That is something that we recognise and have taken forward in the Bill. We have sought to apply a more flexible approach through early morning restriction orders.

The late-night levy will be an optional power for local authorities to raise a contribution to the large policing costs incurred in the late-night economy, as well as supporting costs of local authorities in managing the late-night economy. The levy has been specifically designed to be simple for licensing authorities to adopt. We considered the repeal of alcohol disorder zones in our public consultation last year. The responses overwhelmingly supported repeal. Local authorities and the police spoke of the evidential burden, while businesses identified the policy as ineffective. I am sure that hon. Members will

[James Brokenshire]

agree that alcohol disorder zones should no longer be on the statute book. I therefore ask that the new clause be incorporated in the Bill so that we can finally put this failed policy to rest.

Diana Johnson: Clearly, the new clause is a housekeeping matter for the Government in tidying up licensing legislation. I listened carefully to the Minister's comments on the need for simplicity and a proportionate response to alcohol problems late at night. However, I do not think that the blanket approach being adopted under the late-night levy is proportionate. I would caution the Minister. Let us consider a large area of the country such as the East Riding of Yorkshire. If the local authority was minded to apply a late-night levy to the whole of the East Riding, small country pubs with no problems would have to pay the levy as well as places in more built-up areas, such as Bridlington, that do have problems late at night. The Government's approach through the late-night levy might almost be described as the son of the alcohol disorder zones.

Mark Tami (Alyn and Deeside) (Lab): Does my hon. Friend also accept that the club that people end up in will sometimes not be where they start consuming alcohol? In fact, they might not even have a drink there, but that can be where the problem occurs.

Diana Johnson: My hon. Friend makes an important point. Indeed, when it comes to licensing, one disappointing aspect of the Bill is the failure to deal with pre-loading and the low cost of alcohol in supermarkets. This Bill would have been an opportunity for the Government to legislate to deal with those issues, and there is concern that they seem to have missed it.

I am concerned that businesses that already contribute to voluntary arrangements—they include Pubwatch and Best Bar None, to which hon. Members have referred—may feel penalised if they are then asked to make contributions to the late-night levy as well. There is also concern that because the provision will affect only licensed premises that sell alcohol, it will not deal with, say, problems with late-night takeaways. If the Minister is minded to do so, it would be worth considering whether the late-night licence should include all parts of the late-night economy. That would seem to be the fairest way of dealing with the issue.

Dr Huppert: I am delighted to support new clause 2. It would remove sections 15 to 20 of the Violent Crime Reduction Act 2006, which were totally ineffective and did not work. I suggest that those provisions were also slightly tokenistic. Indeed, the previous Government fell into the trap of doing a lot of things that were token demonstrations. It is an easy trap to fall into, and I do not think that doing things for tokenistic reasons was unique to the last Government. I hope that this Government will learn the lesson of not doing things because they look good, but will continue to make great efforts to ensure that whoever forms the next Government will not have the same things to say about us.

One of the lessons learned about why those provisions were ineffective is set out in clause 125(4), which deals with the late-night levy requirement. That lesson, which

has just been discussed, is how we draw the boundaries of an area. We cannot take the model of the past, which involved drawing boundaries very roughly. Therefore, the Minister decided that an area must be an entire council area, as has been said, although that causes problems in Cornwall, which is a large council area. Perhaps we should learn a slightly different lesson, which is that although we should not have complete flexibility of boundaries, we could have some flexibility. Perhaps the rule should be that we can combine entire ward areas, which would avoid the problems of the provisions that we are getting rid of, but make their replacement work a little better.

Mark Tami: Does the hon. Gentleman accept that wherever we draw the line, there will be one premises one side of it and another premises on the other, which could literally be next door to one another? Wherever we draw the line, there will still be a problem.

Dr Huppert: That is obviously the case, but unless the hon. Gentleman has a fantastic suggestion for solving that problem—a problem that applies to waste collection and everything else, and in every other country—I do not see how we can address it. The same problem would apply with council boundaries, which are not always in the perfect location for all purposes.

Penny Mordaunt: My hon. Friend mentions large council boundaries. Portsmouth, which I think is the most densely populated city in Europe apart from London, has a small council boundary, yet we have the same problem. There are areas with no problems where, if a fee was applied, it would be problematic for businesses to keep running.

Dr Huppert: I agree, and I think that my hon. Friend and I share the same objective. We do not want to return to the alcohol disorder zone approach, which clearly did not work and involved having to draw a complex wiggly line that would have exacerbated the problems. That is why I am suggesting ward-sized boundaries, which, while never being perfect, would take us a lot further and allow the various areas of Portsmouth to be separated—I do not know the city as well as she does, and I am sure that she could say which wards were more of an issue than others.

Steve McCabe: If we accept that alcohol disorder zones were not a success—perhaps it is right to repeal them at this stage—is it not also fair to say that what we are hearing today are legitimate concerns about the unintended consequences of the new approach? Given the hon. Gentleman's desire not to have ineffective legislation, does he feel that it would be in the Government's interests for the Minister to promise an early review of the proposal?

Dr Huppert: It is hard to argue that alcohol disorder zones were effective, given that nobody used them, so I hope that the hon. Gentleman was not trying to make that case. I am not calling for an early review, because we have to give things a certain amount of time. I would not necessarily have said, for example, that getting rid of alcohol disorder zones at the beginning of 2007 would have been the right thing to do either. It takes time to realise that something simply has not worked. I

am not calling for an early review, but I am sure that the Minister will comment on my suggestion of using ward boundaries. We did not discuss it in detail in Committee, either here or in the other place, but it might provide a way of making the scheme a bit easier for councils to use, because we want to ensure that what the Minister intends is, in fact, what we see in the end.

Andrew Percy: I had not intended to speak in this debate, but it is about an issue in which I am quite interested, given my former role as chairman of the licensing authority in Hull, one of the two councils in East Yorkshire. My coalition colleague, the hon. Member for Cambridge (Dr Huppert), stole some of my thunder, proving that on this issue we are a happy coalition.

I chaired the licensing authority in Hull for a number of years, at the time when powers were transferred to us from the justices, so I was involved in writing the city's licensing policy. It was clear from the beginning that the powers that we had been given were insufficient. In some ways, I understood why the Government had come up with a solution, given the national outcry at the time and the problems that we had all read about. However, when I sat down with our council officers and said, "Alcohol disorder zones—what's your advice?", they said, "We're not going to go anywhere near them, and we doubt anyone else will." It would have taken some time for alcohol disorder zones to become effective, but it was clear from the beginning that they were incredibly bureaucratic and would not be introduced in any part of England. Indeed, we have had similar problems with cumulative impact zones, which the local authority in Hull has twice rejected, and on very much the same grounds—the unfairness that could be meted out to premises with no problems at all, but which could none the less be drawn into such zones.

I take the point made by the shadow Minister—my near neighbour, the hon. Member for Kingston upon Hull North (Diana Johnson)—about the late-night levy. In many ways, I understand the Government's intentions. Indeed, when I was a licensing chairman, all we wanted was a little more power—as all councillors and politicians always do—to do something about the premises with which we knew we had repeated problems. At the time, we could not always rely on the police to make review applications, and we could do little with the review applications that we received from residents, because the weight of evidence that they put was insufficient, so we do need something.

I have concerns, however, particularly—as the shadow Minister said—in areas such as the East Riding of Yorkshire, or in the other part of my constituency, in north Lincolnshire. A late-night levy could draw in the Percy Arms—the pub four doors from my house, in a small, quiet, East Riding village—at the same time as nightclubs in Bridlington and Withernsea, which seems a little unfair.

Indeed, that would be unfair in a city as well. In Hull, as well as in Scunthorpe and other towns in our area, the problems are generally in the town or city centre, yet pubs in the suburbs or outside the city could also be drawn into the levy. I therefore support the suggestion made by Members in all parts of the House, including by my hon. Friend the Member for Cambridge, that we should think carefully about how to apply the levy. I

understand the Government's intention, and I agree with the early-hours orders, which could be particularly effective. However, we need to ensure flexibility in the system. In my time as a licensing chairman, we wanted a bit more power to do something against certain premises. However, as with all legislation, we need to ensure that we do not draw in premises that are innocent of any trouble. Like the hon. Member for Birmingham, Selly Oak (Steve McCabe), I would urge the Government to give an assurance that the provisions will be reviewed at some time in the future.

Justin Tomlinson: Obviously I have already covered some of this issue with my earlier comments on the late-night levy, but the buzz word that is coming across is greater flexibility. A number of Members have highlighted possible solutions to the problems of setting boundaries, but I think that the only way to set a boundary is to be venue-specific. Venues that conduct themselves in the right manner need an incentive. It has been suggested that venues in the East Riding with no history of problems, which do everything by the rule book and are nowhere near the problem areas, could be caught by the provisions. If we adopted more specific boundaries, we might have a ward boundary between two different establishments, with the well-behaved one on the wrong side of the boundary.

2 pm

The measure should be venue-specific and should be reviewed on a 12-month basis. A venue might be perfectly well behaved, but have a change of manager or a change in its cycle. In my experience, a new venue has novelty value and people queue to enter it, so it can afford to be picky and choosy, but when it gets towards the end of its natural life before being refurbished or simply closed it might cut corners to try to keep people coming in. This can result in a prevalence of under-age drinking, and its associated problems, so the measure should be venue-specific and reviewed regularly. The venues should also help to shape the way in which the late-night levy is paid.

I welcome local authorities having greater powers to deal with problem venues because we have a duty to protect the vast majority of people who go out on a Friday and Saturday night to enjoy themselves. If a venue is causing problems and encouraging a small minority to ruin things for the vast majority, the local authority should have the power to deal with that. Again, such measures should be venue-specific, and time-specific in relation to the venue. Generally, when people are out enjoying themselves, they are well behaved, but if they are trying to get home having not had a very good night problems can arise. People might try to jump the queue for a taxi, for example, which is why I have mentioned the need for a taxi co-ordinator. If all the venues in an area close at the same time, everyone will be spilling on to the streets at once. Closing times should therefore be staggered throughout the night. We should allow the responsible venues that have all the checks in place to stay open until 3 o'clock in the morning, if that is what the area wants, and close a problem venue at a different time to allow the limited police resources to deal with any associated problems. My plea is therefore for greater flexibility and for measures to be venue-specific and reviewed regularly.

Diana Johnson: It has been interesting to listen to the practical experiences of the hon. Members for Brigg and Goole (Andrew Percy) and for North Swindon (Justin Tomlinson). Given his practical business experience, what does the hon. Member for North Swindon think about the possibility of having a late-night levy and an early morning restriction order operating at the same time?

Justin Tomlinson: There would be obvious challenges. For example, if a local authority decided to charge any venue open after midnight a late-night levy but made it close at 12.15, that would not give it an opportunity to generate enough additional income to pay for the late-night levy. My proposal would be to bring the local authority, the police and the late-night venues together to discuss the matter. No venue will openly say that it wants to pay a late-night levy, because it adds an extra cost to its bottom line, but if that money were seen to be spent on improving the safety and enjoyment of the vast majority of people, allowing them to get home safely and quickly after a night out, they would be more likely to go out again and spend money.

I am trying to strike a balance between being proactively supportive of people going out and enjoying themselves and considering those who have to deal with the minority who cause problems. To ensure that this works, I would make it compulsory for those responsible for running venues—the managers, the keyholders, the licence holders—to sit round the table with the local authority, the licensing people and the police. This practice can encompass schemes such as Best Bar None and Pubwatch, and approaches that bar troublemakers from all the venues in an area if they cause trouble in just one. In that way, the vast majority who go out to enjoy themselves on Friday and Saturday nights will have their experience enhanced, and the industry will benefit because its perception and reputation will be greatly improved.

Steve McCabe: I agree with the comments made by the hon. Member for North Swindon (Justin Tomlinson); his experience has been of benefit to all of us. This is not a party political issue. We all want to see successful pubs and licensed premises where people can enjoy themselves and the businesses can make money and provide the jobs that are very much needed in some places. Perhaps I did not make myself clear to the hon. Member for Cambridge (Dr Huppert): I am happy to accept that alcohol disorder zones were not a success. I think that they were genuinely conceived as an attempt to deal with a problem that we all recognised, but they were not a success. I am not in any sense troubled to see the Government scrapping them and trying a different approach. I honestly hope that that approach will work, and I wish it well.

There are some obvious concerns, however, and several of them have been mentioned today. Problems could arise when a rural area is adjacent to an intensively developed town, for example. The application of the rules in such a situation could be problematic. The west midlands has several local authorities in close proximity, and there is a risk that the application of certain levy arrangements in, say, Solihull could have a knock-on effect in neighbouring Birmingham. It is reasonable to say that we are concerned about how this will work in practice.

I urge the Minister to review the provisions, not because I want to be able to come back here in 12 or 18 months to have a bit of fun at his expense. On many occasions, I would quite enjoy that, but in this context it probably would not be terribly useful. As I have said, this problem does not involve any party politics. We are all grappling with the same issue, and want to get to the same end point. I therefore urge the Minister to have a review, perhaps even a rolling review, so that we can see what problems are developing, what solutions are being tried, and whether there is a way of developing best practice. Instead of reaching a point at which we have to say, "Oh well, that didn't work either. We'll repeal it and start all over again," I would much rather see the approach being modified as we go along. It might be in the Minister's interest to agree to report regularly to us on the lessons that have been learned from the application of the measure, so that we can call on the experience of people such as the hon. Member for North Swindon, who could suggest adjustments that might make a difference.

I wish the measure well, and I hope that it will work, but I urge the Minister to think about introducing a regular review process that will allow us to learn lessons and ensure that we tackle the problem.

James Brokenshire: I am grateful to the hon. Member for Birmingham, Selly Oak (Steve McCabe) for his contribution. He talked about not wanting to have fun at my expense, but I genuinely take his point on board.

I am sorry that the hon. Member for Gedling (Vernon Coaker) was in the Chamber only fleetingly. Perhaps he did not want to be present at the denouement. I remember him, when he was a Minister, grappling to try to make the alcohol disorder zone policy work. I was an Opposition spokesman at the time, and I used to pick holes in it, saying that parts of it would not work and that it was too complicated. I asked how areas would be defined and which businesses would be part of the scheme. I also asked how the costs and charges would be calculated, and what steps would have to be taken to set the scheme up. I could almost see the beads of sweat forming on the hon. Gentleman's brow, because those were all fair questions that many people were asking. I do not claim any great credit in that sense, because many outside agencies, including the Local Government Association, shared the view that it was a nice idea but that it really would not work. It is now right and proper to accept that, to move on and to learn the lessons from that time.

I respect the comments of the hon. Member for Kingston upon Hull North (Diana Johnson), who I know probably wants to gloss over the alcohol disorder zone episode, as does everybody nowadays, and move on to a new chapter. The ADZ episode taught us that in seeking to apply a charge in that way, defining the area can seem quite straightforward initially but prove devilishly difficult. That was one of the issues behind the ADZ problem.

We have sought to take a different approach by looking at the issue on a time basis rather than at a specific area and by dealing with the problems of managing the late-night economy. Research showed that there were pressures on the police and increases in crime in the early hours of the morning, suggesting the importance of the time at which this was happening. That is why clause 126 makes it clear that the late-night levy must "begin at or after midnight, and... end at or before 6 am."

I hear the points made about rural areas, for example, where there might not be a problem. I note the question about whether, if the levy were applied more generally across the whole local council area, it would capture the well-run community pubs in the locality. If this were set to start only at midnight, I would suggest that those well-run community pubs are most likely to have shut by that time—before the levy comes into operation. If this is a problem, there is flexibility in the setting of the time at which the levy starts; it could begin from 1 am, for example. That flexibility is built into the measure.

Nigel Mills: It would help us and the industry if we understood how we are going to deal with the problem of events accidentally going beyond midnight or 1 am. Although there might not be any problems, a licence might be sought to cover a wedding or other event. At times such as new year's eve places are open for a long time, which might technically tip them into the levy, although that is not the Government's intention.

James Brokenshire: I think I made it clear in Committee that in those circumstances we would allow people to change their licence conditions to avoid the levy. Temporary event notices for specific issues would be considered under the TENs regime.

Diana Johnson: Will the Minister confirm that if a pub or venue operates just once in a year for which the late-night licence after midnight or 1 am applies, it will be subject to a late-night levy? Will the Government consider allowing, say, five or 10 opportunities for a pub to open during the year before the late-night levy kicks in?

James Brokenshire: Again, I think I said in Committee that we would want to look at such issues in the detail of the regulations. There are some specific points, as I said in Committee, that it would be appropriate to examine further. As part of that, we would want to give flexibility to encapsulate the schemes we have debated this afternoon—the Best Bar None and other voluntary schemes—so that some credit could be applied. I stress that the provisions are intended to be flexible, but if it became clear that the levy was not effective, at that stage—once implementation has taken place and an appropriate period had elapsed—it would be appropriate, as with any measure, to review it. We believe, however, that the provisions already have the required flexibility and are workable, and that they will not have the same bureaucratic problems as alcohol disorder zones. We believe that they are an important means of aiding the management and control of the late-night economy, many areas of which have been badly affected by the introduction of the Licensing Act 2003, without necessarily taking account of the consequences that have occurred.

2.15 pm

Justin Tomlinson: I welcome the suggestion that there is greater flexibility in the provision, but setting the levy according to time is still likely to capture venues that conduct themselves appropriately but just happen to be operating beyond a certain time. There is an analogy with football policing. A big local football club will contribute to policing costs because it attracts all the supporters, but no one would dream of charging the part-time or amateur football clubs that play on the local recreation grounds. It should be venue-specific

and it should take into account the need to be proactive in working with the local authority and the police authority.

James Brokenshire: On the venue-specific point, if there are problems, a review of licensed premises can be conducted. That is also why we included provisions to strengthen the enforcement of the laws against under-age sales.

Can problems with pre-loading, post-loading and so forth be pinned down to one specific area or not? We think that setting the levy on a time basis is fair and equitable, involving the provision of funding for local authorities to look at taxi marshals and manage the late-night economy in its broadest sense. By narrowing it down, the provision might start to lose some of the intent behind it, which is to help the police and local authorities to manage the late-night economy—if that is what they choose to do. I remind hon. Members that this is a discretionary power for local authorities to determine.

Diana Johnson: The Minister has made it clear again that this is a discretionary power that local authorities can exercise, but he has also made it clear that there were no alcohol disorder zones, so I wonder how many local authorities he expects to apply the late-night levy. That knowledge will help us to gauge its success in the future.

James Brokenshire: Strangely enough, this Government do not believe in central targets. The hon. Lady tempts me down that path, but I have to say that I have no specific target. I refer her to the regulatory impact assessment, which she will have read assiduously, as it sets out the level of fees forecast. The regulatory impact assessment sought to examine possible options and estimate what might be recovered by the late-night levy. Rather than count up the number of local authorities, however, I point her to that assessment. We hope it will be successful.

Andrew Percy: The Minister is generous with his time and in being willing to take some of our points into account. I welcome the suggestion that we might be able to find a way, by means of regulation, of excluding village pubs such as the ones in my area. The problem with the alcohol disorder zones was not necessarily the setting of the boundaries, but the paperwork and bureaucracy that went with them. I commend to the Minister one area of law that seems to have worked very well—the designated alcohol zones. These are no-drinking zones, which have a set boundary and were quite easy to set up in comparison with ADZs. Having boundaries or setting boundaries around problem areas is not necessarily that complicated if we ensure that the process is simplified.

James Brokenshire: There might be a distinction to be drawn between seeking to calculate costs and charges as with the ADZs, and local byelaws drawn up by some local authorities. As I have already said, the early morning alcohol restriction orders are relevant, along with cumulative impact zones. They show that there are ways of seeking to control the behaviour of individuals within a particular area. Calculating costs and levying charges and fees for licences appropriately has to be done in a broader way to make it effective so that we do not get drawn down into the bureaucratic mechanism that we are seeking to put to bed in respect of the alcohol disorder zone.

Michael Ellis: The Minister has been urged to make the Bill location-specific, but would that not confer a stigma on certain locations? Would it not also create excessive bureaucracy, as local authorities would have to do far more work? Moreover, would it not depart from the principle that the Bill seeks to implement, namely the establishment of a balance that will assist the police and allay public concern about such problems as disorder?

James Brokenshire: My hon. Friend makes some powerful points, which bring us neatly back to the subject of alcohol disorder zones. I do not think that they met the tests that my hon. Friend has just identified. For that reason, we think it right to end a policy that sadly became an alcohol disarray zone, given the challenges that stood in the way of its being brought to fruition. We believe that there is merit in providing local authorities and the police with funds enabling them to manage the late-night economy; we believe that the right way in which to do that is through the late-night levy; and we believe that it is time to end the ADZ episode, which has clearly been a failure.

Question put and agreed to.

New clause 2 accordingly read a Second time, and added to the Bill.

New Clause 3

GENERAL DUTIES OF LICENSING AUTHORITIES

(1) The Licensing Act 2003 is amended as follows.

(2) In section 4 (General duties of licensing authorities) insert—

(a) protecting and improving public health.”.—(*Diana Johnson.*)

Brought up, and read the First time.

Diana Johnson: I beg to move, That the clause be read a Second time.

The Licensing Act 2003 sets out the four licensing objectives that must currently be taken into account when a local authority carries out its licensing functions: the prevention of crime and disorder, public safety, the prevention of public nuisance, and the protection of children from harm. The new clause would introduce a fifth objective: to protect and improve public health. We tabled it to deal with three key issues. First, there is the fact that public health is far more prominent and talked about than ever before. Secondly, there is the role of primary care trusts and, in future, local authorities, which is relevant to clause 104. Thirdly, there is the current position in Scotland.

Let me explain first why we think the issue of public health is so important. As an Opposition spokesman, the Secretary of State for Health made clear his strong commitment to it. So committed was he that he planned to rename the Department of Health “the Department of Public Health” if the Conservatives came to power. Obviously that has not happened, but the Secretary of State is very busy with his Health and Social Care Bill, and we know that he is trying to rename the NHS “the HS”—to get rid of the “national”.

The widespread view is that there is a proper role for Government in the promotion of good public health. We know from the provisions of the Health and Social Care Bill that one of the few budgets that will be

ring-fenced in future is the public health money that will pass from the PCTs to local authorities in 2013. However, the Government have experienced big problems in their approach to public health. This month we have seen the fall-out from their stance on self-regulation by the drinks industry through the responsibility deal. A number of health groups have walked away from the discussions and the agreement, including the British Heart Foundation.

Don Shenker, the chief executive of Alcohol Concern, made clear his view that the Government’s approach to public health will not work. He said that the responsibility deal was

“the worst possible deal for everyone who wants to see alcohol harm reduced”,

and that it had no sanctions to impose if the industry failed to fulfil its pledges. He described those pledges as “half-hearted”,

and that the

“government has clearly shown that when it comes to public health its first priority is to side with big business and protect private profit.”

Let us consider what has already been said about this issue, and the action that the Government have taken so far. Yesterday the hon. Member for Totnes (Dr Wollaston) presented a ten-minute rule Bill to restrict the marketing of alcohol to children and young people. She made a telling point in expressing concern about the fact that the Government were putting the fox in charge of the chickens. They have, for instance, set their face against the idea of making personal, social and health education compulsory. That would have provided an excellent opportunity for young people to be taught about the effects of alcohol and the long-term health consequences of drinking too much.

In January, the Minister set out the coalition Government’s plans in relation to minimum pricing. He said that they wanted alcohol to be sold at the level of duty plus VAT. Many people, including representatives of many health organisations, have pointed out that that will have little effect on the price of alcohol in supermarkets, many of which will continue to sell alcohol that is cheaper than bottled water. It also contradicts the view of Liam Donaldson, the former chief medical officer, that there should be a minimum price of 50p per unit.

Dr Huppert: I wonder whether the hon. Lady can help me, given that I am a new Member, by reminding me what the minimum price was under the last Government.

Diana Johnson: As I am sure the hon. Gentleman knows, because he pays close attention to these issues, there has been a continuing debate for some time about the need to reach a conclusion that everyone considers appropriate. The problem with the announcement from the coalition Government is that it is causing most people to think that it will have no effect at all.

I know that the hon. Gentleman sets great store by academic research and evidence. According to research carried out by Sheffield university, pricing measures will only be significantly effective from around the 40p per unit mark. It is feared that the coalition Government’s preferred level will be not 40p but much lower, and that they have missed the opportunity to make significant strides in dealing with the problem of alcohol abuse.

As I pointed out during a previous debate, the Bill contains no provisions dealing with minimum pricing, and I think most people would consider that a great shame. We were looking forward to legislation shortly after the announcement in January. The Government are clearly in some disarray when it comes to public health and alcohol, but the new clause offers them a real opportunity to reassert their commitment to improving public health and dealing with some of the public health problems associated with alcohol. We believe that we are helping them to achieve what I am sure all Members agree is the very proper aim of ensuring that alcohol-related problems are dealt with properly by the House. Therefore, if the Government were to add in health and this further objective in respect of licensing, it would show that they are serious about the problem of public health, and it would also deal with the problems they have faced since taking office last May.

2.30 pm

My next point is about primary care trusts. The Minister will recall that we had a debate in Committee about primary care trusts becoming responsible authorities under clause 104. In that debate, I raised a number of issues about how the primary care trust, which is a health body, would effectively be able to make representations to the licensing committee on the four objectives of licensing, none of which currently includes the issue of health, and there was an exchange of views between the Minister and me about how this would work. It would clearly make sense for health to be one of the objectives, as the PCT would therefore be able to deal specifically with the health implications for the community concerned. I believe this fifth condition would make sense within the terms of the Bill and clause 104.

I would also like the Minister to comment on another issue. Under the Health and Social Care Bill provisions, the primary care trust will be removed and the public health function will be taken up by the local authority. The local authority would therefore be exercising its responsibilities as a licensing authority and would also have a public health promotion and high-level strategic role. If health is not one of the conditions of licensing, might not local authorities be facing both ways at the same time? That is an important issue.

Under the Licensing (Scotland) Act 2005, the Scottish Government have introduced a fifth condition into their licensing objectives: to protect and improve public health. In Scotland, there has been genuine concern for some time about the levels of alcohol consumption and the effect on the health of the nation. The Nicholson Committee deliberated at length on whether health should be included as one of the conditions under the Act. When that idea went out to public consultation, there was widespread support for it, and I think that that would also be the case in the rest of the UK if the Government were to put it forward.

In Scotland, there has been no final evaluation of the impact of adding health as one of the conditions, and it is still quite early days. However, West Dunbartonshire council has used the local alcohol and drug partnership information and guidance as a tool for the licensing boards to address health objectives, and that has proved a very positive step. That council is certainly considered to be at the forefront of local authorities in Scotland in

dealing with this issue in a sensible way. This measure is breaking new ground however, and there is great concern about how licensing boards implement it and the information they take into account. Whenever we break new ground, there will always be lawyers in the background examining whether there is an opportunity to appeal, and, unfortunately, that has happened a great deal in Scotland, but that is no excuse for not taking the step and addressing the issue of health.

Under the Scottish model, the main way the measure is being assessed is by looking at the over-provision of pubs and other licensed premises within an area to give some indication as to the impact on the health of the community. The statistics that are available through the alcohol and drug partnership should also be considered, as that has been effective.

The Government have an opportunity to lead the way in introducing this provision, and to join Scotland at the forefront of taking public health and alcohol concerns seriously and shaping the debate in the rest of the world. Many countries are already looking at what happens in Scotland, and thinking that they may want to join in. It would be a great pity if England and Wales did not consider the matter properly and fully, and did not take some positive steps to deal with this issue, which many of our constituents feel has been ignored for too long.

James Brokenshire: That was an interesting contribution from the hon. Lady. She said that she felt public health had been ignored for a long time, but she made a slight mistake by highlighting that. That is why I am delighted that my colleagues in the Department of Health are taking this matter seriously in their approach to Public Health England, which is giving proper attention to public health. It is a shame that the hon. Lady made those comments because we have had a reasonable debate and she unfortunately decided to make more partisan attacks during that contribution. Perhaps it is worth reminding ourselves of how we reached this point on the accident and emergency issues and of all the pressures that are brought to bear on our health service and on the police. The vibrant café culture had been promised and written up as part of the reforms introduced by the Licensing Act 2003, but it failed to materialise. That is why we are taking steps in this Bill to address licensing issues.

I agree with the hon. Lady that public health issues are involved here and that there is merit in making health a material consideration in the 2003 Act. The Government stated that in their response to the "Rebalancing the Licensing Act" consultation, which contained a specific consultation point on the matter, and we committed to considering the best way to take this issue forward. However, my view is that the issue requires further consideration, alongside wider Government work, to address the harm alcohol causes to health.

It is important to highlight the fact that the Bill has sought to bring certain changes into effect, such as enabling primary care trusts, as health bodies, to make representations. Health bodies have a clear interest in the existing 2003 Act objectives of "public safety" and "crime reduction", as illustrated in: alcohol-related accident and emergency attendances; ambulance journeys following road traffic accidents and other accidents; glassing and other injuries; alcohol poisoning cases and so on. That

[James Brokenshire]

directly relates to how those health bodies are able to make representations under the Bill. Drunken accidents and injuries comprise a high proportion of accident and emergency attendances—the estimate is up to 70% on Saturday nights. When added to ambulance costs, they cost the NHS about £1.1 billion a year, so this is a legitimate focus for licensing.

Diana Johnson: Members on both sides of the House want to ensure that we get the best possible policy on alcohol and public health—we all have an interest in doing that—but can the Minister explain to me what he expects the PCT to provide on an individual licence application? A lot of bureaucracy will be involved if the individual licence application has to involve accident and emergency statistics. Are they what he expects the PCT to provide?

James Brokenshire: In some areas, NHS organisations already share anonymised A and E data with the police. Such intelligence can highlight where violent incidents occur and any hot-spot premises, thus supporting police representations at licensing hearings and wider law enforcement. Making local health bodies responsible authorities will encourage the effective collection and sharing of anonymised A and E data and other robust and targeted evidence for licensing authorities to consider.

The hon. Lady specifically asked how the role of local authorities will be managed in the context of Public Health England. She will be well aware that licensing authorities become responsible authorities under the Bill and are therefore able, in essence, to make their own representations. Obviously, different functions are carried out by different parts of the local authority, as happens in planning. The licensing committee is able to consider applications and relevant legislative issues, so there is a broad read-across in how a local authority is able not only to make representations but to determine things. A local licensing panel will have an almost quasi-judicial role in that situation, as does a planning authority.

I want to return to some of the hon. Lady's other points.

Steve McCabe rose—

James Brokenshire: Before I do so, I shall give way to the hon. Gentleman.

Steve McCabe: Whether or not the Minister accepts the new clause, does he accept the central point made by my hon. Friend the Member for Kingston upon Hull North (Diana Johnson)? As the Bill stands, a local authority could license a supermarket to sell cheap alcohol, creating a problem. If that local authority then imposed a levy that applied to other premises in the near vicinity but not to the supermarket, the health sector would not necessarily benefit from any of the levy, but it might suffer some of the worst cost effects of the problem. Does he accept that he must do something about the central health issue?

James Brokenshire: I will come to that. If the late-night levy is effective in managing the night-time economy and in supporting the police, it will have an impact. For

example, it might affect the accident and emergency attendances that might otherwise arise in an area. Indirect benefits could accrue from the operation of the levy in that way. Different points need to be discussed, but I will come on to the issue of price, which is a fair point and was raised by the hon. Member for Kingston upon Hull North (Diana Johnson).

Protecting public health is a complex issue, and that was reflected in the mixed nature of the responses the Government received when, in our "Rebalancing the Licensing Act" consultation, we asked about adding the prevention of health harm as a fifth licensing objective. Although those who supported the proposal acknowledged the benefits of improving public health, reducing the burden on the NHS and increasing responsibility among licensees, those who opposed it were concerned that it would be onerous and unworkable.

Adding protecting and improving public health as a licensing objective, as the new clause proposes, would mark a fundamental change to the Licensing Act. The four existing licensing objectives underpin the Act and, as the hon. Lady highlighted, the licensing authority is required to carry out its functions with a view to promoting these objectives. We believe that before we make such a fundamental change, it is essential that full consideration is given to the potential impact to ensure that any changes are workable and do not have any unintended consequences. We should undertake such considerations alongside wider Government work to address the harm done by alcohol to health. For example, if we were to introduce the objective now, we would need to consider carefully—as we are—what the knock-on consequences might be.

If an area has public health challenges caused by deprivation, does that mean, strictly applying such a rule, that it should automatically have no licensed premises and is that acceptable? We need to consider such detailed factors carefully in the context of the consequences of making such a radical change. That is why we need to consider the question carefully and cautiously, albeit that I have sympathy with the points about public health. That was why we raised the issue in our consultation last August but felt, on the basis of the representations we received, that it was important to reflect on the matter and to consider it further in that context and in the context of the wider work that is taking place.

The hon. Lady made a good point about the Scottish licensing laws, which have an objective to protect and improve public health. We are keen to learn any lessons from the Scottish experience. The Licensing (Scotland) Act 2005 only came into force in September 2009, it will be evaluated and we look forward to learning from it. There are other differences in the Scottish framework, such as the powers to control density of premises, which raise their own issues and would need to be taken into account.

As announced in the "Healthy lives, healthy people" document, we want to improve alcohol treatment services through a greater focus on outcomes and payment by results. We also want to improve the commissioning of preventive services, including brief interventions by health professionals, so there is a broader focus that we wish to take on board. The hon. Lady mentioned the responsibility deal, but this is only a first step. The initial pledges will form an important platform for future work. Networks are already developing the next

tranche of pledges, which we expect to go much further and to demand much greater commitment and action on the industry's part.

2.45 pm

On pricing, which has been raised by the hon. Member for Kingston upon Hull North and the hon. Member for Birmingham, Selly Oak (Steve McCabe), we have announced that we intend to ban below-cost sales, setting at the level of duty plus VAT. That is an important first step in setting out a framework that we can evaluate and work from, so I see it as an important first step in dealing with the impact of alcohol prices on public health and on crime and disorder. These are complex issues, which is why it is important to do things in a measured way.

Diana Johnson: The Minister announced in January his intention to legislate on minimum pricing. Can he update us on when those measures will come before the House?

James Brokenshire: We are considering this matter very carefully so that it is introduced in a less bureaucratic and a straightforward way. We will put further proposals before the House in due course because this is something we are committed to. Having made the announcement, we will be following through on this. It is important to ban below-cost sales and introduce the duty-plus-VAT measure that we announced at the start of the year. The Government are committed to following through on that.

The Government have already made provision in the Bill to make primary care trusts and local health bodies responsible authorities. That will ensure that local health bodies can influence licensing determinations by making representations based on local health evidence such as accident and emergency statistics. Those representations will need to be linked to existing licensing objectives to be relevant. Health bodies have a clear interest in the existing Licensing Act objectives, as I have mentioned, so we think it is an important step to recognise their role in that way.

For the reasons I have given, I ask the Opposition not to press the new clause and to allow the Government to examine this issue further and learn from the evidence and experience that is emerging from elsewhere. We can then consider what is the best way of legislating to make public health a material consideration within the licensing process, thereby recognising the points that have been made this afternoon and, equally, that this is a complex area. Doing things effectively and in the right way is the best course of action.

Diana Johnson: I am grateful to the Minister for his warm words about looking at public health and alcohol and I hope that we will see some more action on this. On minimum pricing, I am concerned that the announcement was back in January but I think there is genuine willingness to move forward on this. I have set out my concerns that the minimum pricing level that the coalition has announced is not high enough, but if we are going to do this, let us get on and do it. I do not quite understand why there is delay, because the coalition has made its announcement and stated its position. I listened to the Minister's comments about the time

frame, but "in due course" can mean quite a few things in the House of Commons, so I will certainly be looking to see what progress is made, because it is time to get on with this.

It is disappointing that the Bill does not address the issues of pre-loading and the concerns that people are expressing up and down the land about the low cost of alcohol in supermarkets. I am keen to work positively with the coalition on this important issue and I strongly hope that there will be real progress in the coming months. I hope also that the health organisations that have walked away from the responsibility deal negotiations can be brought back in and reassured that there is genuine commitment on the part of the coalition to deal with health and alcohol issues. On the basis of what the Minister has said, I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

James Brokenshire: I beg to move amendment 22, page 87, line 26, leave out 'authorisations' and insert 'premises licences and club premises certificates'.

Mr Deputy Speaker (Mr Nigel Evans): With this it will be convenient to discuss Government amendments 23 to 30.

James Brokenshire: These are minor amendments to the late-night levy clauses in part 2 that clarify the effect of the provisions. To avoid possible misinterpretation, the Bill should use consistent terminology. Amendments 22 and 30 intend to achieve that end. Amendments 26 and 27 amend clause 133 merely by making it clear that if licensing authorities amend the categories of premises in their area that benefit from an exemption or reduction in their levy liability for a subsequent year there may already be none as well as one or more premises in those categories for the existing year.

Amendments 28 and 29 remove a drafting error in clause 133 and clarify the basis on which licensing authorities must ensure that any exemption or reduction categories that apply in their areas in a subsequent year accord with the categories prescribed in regulations. Amendments 23, 24 and 25 ensure that local authorities do not suffer a burden in introducing the late-night levy. They do not change the intention underlying the levy, nor do they change the burden on business.

The Bill as it stands allows licensing authorities to deduct the costs that they incur in the "collection, administration or enforcement" of the levy from the levy revenue. However, it has become clear that that phraseology, including the reference to administration, does not include the specific costs of introducing the levy. A licensing authority will need to carry out a number of administrative procedures before collecting the levy. First, it will hold a consultation on the way in which it wishes to operate the levy. That is an important process, and it ensures that the community's opinions are heard. Following a decision to adopt the levy, the licensing authority will announce its intentions. Some businesses will decide that they do not open long enough in the levy period to make it worth while to pay it. To avoid the levy, those businesses will be able to make a free change to their licence. However, that means that licensing authorities must process the licence variations without recovering costs. Amendments 22, 23, 24 and 25

[James Brokenshire]

will ensure that licensing authorities can deduct the costs of those introductory processes from the levy revenue.

I do not want the levy to become a burden on licensing authorities. It has always been my intention that it should be self-funding while raising a significant amount of money for the police and other organs of local government. The amendments ensure that that is the case. Let me reiterate that the amendments will have no further impact on business. We have published indicative levy charges, which will remain the same. To make some simple clarifications and to ensure licensing authorities bear no burden as a result of the late-night levy, I urge the House to accept the amendments.

Diana Johnson: May I ask the Minister to clarify a few points? There will be a number of changes to the licensing provisions in the months and years to come, and I should be grateful if he set out his intentions on whether additional support or resources will be provided for local authorities when those new schemes are adopted. For instance, will additional financial resources be made available to assist local authorities with the late-night levy and early morning restriction orders in ensuring that information is provided to businesses? Clear guidance should be issued about what that will mean for businesses.

We have held a number of short debates about the late-night levy and the possibility that operating just one night a year can make a business liable for the levy. Businesses are often busy just trying to operate on a daily basis without having to get to grips with the minutiae of new legislation. Will the Minister set out what the Home Office intends to do to ensure that businesses are fully acquainted with the requirements of the new legislation and exactly what it will mean for them? Costs can be deducted from the late-night levy if someone has participated in the consultation on whether to have a late-night levy. Will that all be set out in a clear and transparent way so that businesses understand exactly why they will have to pay a certain amount? Setting things out in a clear format that is easy to understand will be the key to ensuring that the new licensing provisions operate well. If the other amendments in the group are intended just to tidy up the legislation and make it read more smoothly, my only question is on how the operation of getting information out to businesses would be provided.

James Brokenshire: I thank the hon. Lady for her comments. Her point on guidance is relevant. As I have indicated, as part of the implementation of the late-night levy it is intended that guidance would be drawn up on the process and that it would deal with some of the detail in regulations on the issues I have already highlighted. [Interruption.] I have only started and already the hon. Lady wants me to give way.

Diana Johnson: Will the guidance provided on that basis be statutory guidance, or guidance that can be ignored?

James Brokenshire: I am not sure that guidance can be ignored. It is intended to be of assistance in the implementation of the proposals on the late-night levy. The key element that the hon. Lady has highlighted

relates to costs and resourcing. We are bringing forward some of these changes to ensure that licensing authorities can take account of the set-up costs relating to the late-night levy, which might otherwise be an issue. We think that it is important to introduce the amendment to ensure that, as with the different examples I have already given, there are no unintended consequences and that, if we are seeking to ensure that costs are properly attributed, that is built into the structure of the late-night levy.

The hon. Lady made a general point on transparency and how costs are to be drawn up. That is a fair point which I take on board, and we will work through that in detail on implementation so that businesses are clear about the calculation and which costs will be brought into effect for the deduction. It is worth saying, however, that it is a deduction and the levy itself is a fixed figure; we are talking simply about what is being deducted and the 70:30 split, with which she will be familiar. In some ways that relates to our previous debate on the general licensing fees and the costs that can be attributed for the maintenance of the Licensing Act. Some of her comments may be addressed in that direction as well.

Clearly, we want to ensure that the late-night levy is a success. We want local authorities to come forward with it. We believe that allowing the set-up costs is an important part of ensuring that the levy operates well and does not have unintended consequences. That will ensure—that this reflects some of the comments in the preceding debate—that the levy will be used by local authorities, will be useful and will contribute to managing the late-night economy and dealing with some of the challenges we have heard about this afternoon. That is why we believe that the Bill and its provisions on the late-night levy mark an important step forward in assisting local communities and local authorities to manage the problems of alcohol and the late-night economy. I therefore hope that hon. Members will be minded to support the amendment.

Amendment 22 agreed to.

Clause 130

NET AMOUNT OF LEVY PAYMENTS

Amendments made: 23, page 89, line 20, leave out from 'of' to 'may' in line 22 and insert 'relevant expenses which'.

Amendment 24, page 89, line 23, leave out third 'the' and insert 'any'.

Amendment 25, page 89, line 28, at end insert—

'(2A) In subsection (2)(a), "relevant expenses" means expenses incurred by a licensing authority in the administration of the late night levy requirement including, in particular, such expenses incurred in, in connection with or in consequence of—

- (a) any decision mentioned in section 134(1);
- (b) collection of payments of the late night levy;
- (c) enforcement of the late night levy requirement.

(2B) Expenses incurred by a licensing authority which fall within subsection (2A)(a) include, in particular, expenses which it incurs in connection with any application made by virtue of section 134(2)(c).—(James Brokenshire.)

Clause 133

AMENDMENT OF LATE NIGHT LEVY REQUIREMENT

Amendments made: 26, page 90, line 38, leave out 'different' and insert 'any'.

Amendment 27, page 90, line 39, after 'apply', insert 'in addition to any that currently apply, or to cease to apply.'

Amendment 28, page 91, line 7, leave out 'by virtue of section 132(1)(b) or (iii)' and insert

'as the result of a relevant decision'.

Amendment 29, page 91, line 11, at end insert—

'() In subsection (4)(b), "relevant decision" means a decision under—

(a) section 132(1)(b)(ii) or (iii), or

(b) subsection (1)(c) of this section.'—(*James Brokenshire.*)

Clause 135

PERMITTED EXEMPTION AND REDUCTION CATEGORIES

Amendment made: 30, page 92, line 41, leave out from 'all' to 'that' in line 42 and insert

'holders of relevant late night authorisations in'.—(*James Brokenshire.*)

Clause 140

DEMONSTRATIONS IN VICINITY OF PARLIAMENT: REPEAL OF SOCPA 2005 PROVISIONS

John McDonnell (Hayes and Harlington) (Lab): I beg to move amendment 162, page 94, line 27, leave out subsection (2).

Mr Deputy Speaker (Mr Nigel Evans): With this it will be convenient to discuss the following:

Amendment 163, page 94, line 32, leave out clause 141.

Amendment 164, page 95, line 7, leave out clause 142.

Amendment 171, page 95, line 7, leave out clause 142 and insert—

'142 Injunctions to prevent a prohibited activity in controlled area of Parliament Square

(1) The High Court may grant an injunction against a person under this section if—

(a) it is satisfied beyond reasonable doubt that the respondent has engaged in, or is about to engage in, a prohibited activity; and

(b) the injunction is necessary to stop the person doing a prohibited activity or from starting a prohibited activity.

(2) For the purposes of this part, a "prohibited activity"; is an activity—

(a) which may result in serious public disorder or serious damage to property; or

(b) where the purpose of the activity is the intimidation of others with a view to compelling them not to do an act they have a right to do, or to do an act they have a right not to do.

(3) A person who fails without reasonable excuse to comply with a prohibition in an injunction order under section 143(1) is in breach of the injunction.'

Amendment 176, in clause 142, page 95, line 8, leave out 'constable' and insert 'senior police officer'.

Amendment 185, page 95, line 8, leave out 'or authorised officer'.

Amendment 177, page 95, line 12, at end insert—

'(1A) In subsection (1) a "senior police officer" means the most senior in the rank of police officers present at the scene.'

Amendment 195, page 96, line 12, leave out '5' and insert '3'.

Amendment 165, page 96, line 13, leave out clause 143.

Amendment 172, page 96, line 13, leave out clause 143 and insert—

'143 Injunctions under section 142: content and duration

(1) A condition included in an injunction ordered by the High Court under section 142(1) may prohibit the person from—

(a) being in the controlled area of Parliament Square for the purpose of undertaking a prohibited activity; or

(b) entering the controlled area of Parliament Square for the purpose of undertaking a prohibited activity.

(2) An injunction prohibiting a person from being in or entering the controlled area of Parliament Square continues in force until—

(a) the end of such period on which the injunction is made as may be specified by the court making the injunction; or

(b) if no period is specified, the end of the period of seven days beginning with the day on which the injunction is made.

(3) A period specified under subsection (2)(a) may not be longer than seven days.'

Amendment 178, in clause 143, page 96, line 20, leave out 'constable' and insert 'senior police officer'.

Amendment 193, page 96, line 22, leave out '90 days' and insert 'seven days'.

Amendment 194, page 96, line 24, leave out '90 days' and insert 'seven days'.

Amendment 186, page 96, line 20, leave out 'or authorised officer'.

Amendment 179, page 96, line 26, leave out 'constable' and insert 'senior police officer'.

Amendment 187, page 96, line 26, leave out 'or authorised officer'.

Amendment 166, page 96, line 40, leave out clause 144.

Amendment 173, page 96, line 40, leave out clause 144 and insert—

'144 Applications for injunctions under section 142

(1) An application for an injunction under section 142 may be made by the Commissioner of Police of the Metropolis to the High Court.

(2) Notice of any application under subsection (1) must be served on the respondent in accordance with the rules of the court.

(3) The court must give the respondent an opportunity to make representations in proceedings before it about the making of an injunction.'

Amendment 180, in clause 144, page 96, line 41, leave out 'constable' and insert 'senior police officer'.

Amendment 188, page 96, line 41, leave out 'or authorised officer'.

Amendment 181, page 96, line 43, leave out 'constable' and insert 'senior police officer'.

Amendment 189, page 96, line 43, leave out 'or officer'.

Amendment 182, page 97, line 1, leave out 'constable' and insert 'senior police officer'.

Government amendment 57.

Amendment 183, page 97, line 6, leave out 'constable' and insert 'senior police officer'.

Amendment 190, page 97, line 6, leave out 'or authorised officer'.

Government amendment 58.

Amendment 184, page 97, line 7, leave out 'constable' and insert 'senior police officer'.

Amendment 167, page 97, line 28, leave out clause 145.

Amendment 174, page 97, line 28, leave out clause 145 and insert—

'145 Breach of injunction

(1) The court may impose a fine not exceeding level 3 on the standard scale where—

(a) an injunction under section 142 is granted against a person, and

(b) on an application made by the Commissioner of Police of the Metropolis, the court is satisfied beyond reasonable doubt that the person is in breach of the injunction without reasonable excuse.

(2) For the avoidance of doubt, subsection (1) grants the only powers available to the court where it finds that an injunction under section 142 has been breached.'

Amendment 196, page 97, line 28, leave out clause 145 and insert—

'145 Power of court on conviction

(1) The court may, following the conviction of a person under section 141, make an order requiring the person not to enter the controlled area of Parliament Square for such period as may be specified in the order which may not exceed seven days.

(2) Power of the court to make an order under this section is in addition to the court's power to impose a fine under section 142(8).'

Amendment 168, page 98, line 1, leave out clause 146.

Amendment 175, page 98, line 1, leave out clause 146 and insert—

'146 Discharge of injunction

(1) The court may discharge an injunction if an application to discharge the injunction is made.

(2) An application to discharge the injunction may be made by

(a) Commissioner of Police of the Metropolis who applied for the injunction; or

(b) the respondent.

(3) Before applying for the discharge of an injunction, the applicant mentioned in subsection (2) must notify the other.'

Amendment 191, in clause 147, page 98, line 34, leave out 'authorised officer and'.

Amendment 169, page 98, line 34, leave out clause 147.

Amendment 170, page 99, line 4, leave out clause 148.

John McDonnell: I almost feel like apologising to the House for burdening it with so many amendments, but let me just explain the grouping of the amendments, which come in three blocks.

3 pm

The first block starts with amendment 162, and includes consequential amendments 163 to 170. I will discuss the effect of the block later, but effectively it would remove the provisions in the previous Government's legislation and prevent the current proposals from going through.

The second block includes amendments 171 to 174, amendment 196 and amendment 175, and it is an attempt to ameliorate the Government's proposals.

The third block, which includes amendment 176 and amendment 185 onwards, is the last resort and an attempt to try to introduce some protections to the legislation. I would welcome the opportunity, ideally, to vote on the first block, which means voting on

amendment 162, and at least on the last block, which means voting on amendment 185. If there is a choice, may I ask that we vote at least on amendment 185?

I declare an interest, because this part of the Bill deals with protestors in Parliament square, and I am a regular protestor there. I support Brian Haw, Maria and all the others. In fact, I was photographed on the demonstration at one point, and the image was included in the Tate Britain exhibition that won the Turner prize—so Members are now being addressed by a Turner prize.

Michael Ellis: That says a lot about the Turner prize!

John McDonnell: We shall have another discussion, on aesthetics, later.

I am sure that all Members will be aware that Brian Haw is being treated for cancer, and, whatever our feelings about the protest camp and, in particular, Brian himself, I am sure that we all wish him well in his recovery, even though some might not want a specific geographical location designated for that recovery.

I will explain the background to the amendments, because the issue was excellently debated in what was an entertaining Committee. I am not often placed on such Committees—on average, it happens once every 10 years—but I read the Committee notes and thought that it was an excellent debate about the background to the Bill and the amendments themselves.

As people know, Brian took up his protest a decade ago, and anyone who has ever talked to him will understand his fervent belief in the need for peace and for the avoidance of war, and his concern for the innocent victims of war. His chosen method of protest has been to bear witness in front of the Houses of Parliament to the suffering of others as a result of war, and he has done so by choosing to place an encampment in the square, by addressing Members and others with a loudhailer and by engaging in discussions with others to try to convince them of the errors of entering into military action.

Brian reminds us all of the consequences of the decisions that we take in this place, and he perhaps attempts to influence us in our future decisions. His is a traditional form of protest: peaceful, non-violent and similar to protests that have occurred elsewhere in this country and throughout the world.

When the original proposals came forward under the previous Government, we engaged in that debate and a number of Members expressed their extreme dislike of Brian Haw and his colleagues' presence outside Parliament. I sat through endless pompous speeches about the sanctity of Parliament square, complaints about not being able to work for the noise of the loudhailer that Brian used, and long-winded debates about the aesthetics of Parliament square. I have a sneaking suspicion that what a number of Members did not like was being reminded of the impact of the decisions that they had taken in this House—decisions that have caused so much human suffering.

The previous Government nevertheless brought forward legislation, which, I think we all agree now, was tedious, bureaucratic and unworkable—and has degenerated into farce. I commend the comedian Mark Thomas for his work to expose its farcical nature. Interestingly, the

poor drafting of that legislation meant that it failed to deal with what many Members thought was the harm being done by Brian's presence, because the legislators—I did not like to point it out to them at the time—failed to make it retrospective, so it never addressed the issue of the encampments. In addition, the permit system became a mockery of what the legislation intended. It degenerated into farce when one person was arrested simply for reading out the names of the dead in Iraq and Afghanistan.

I welcomed—and I said so publicly—the statements by the former Opposition that that legislation would be repealed. I made that very clear before the election and during the election campaign as a result of which the coalition Government were formed. The problem is that this Bill does not scrap the previous Government's proposals. In fact, it impedes peaceful protest. I give this warning: if it goes through, it will degenerate into the same unworkable and unmanageable farce that the previous legislation degenerated into. Having looked at the evidence from Committee and read the discussions, I think that these proposals will put an unmanageable burden on police officers and local authority officers, and increase their vulnerability to conflict rather than reducing it.

In my view, the Government's proposals are unacceptably restrictive. They replace one unworkable system with another and have the same effect of restricting, for no good, sensible reason, the right of peaceful protest and assembly and free speech in Parliament square. These proposals are still specific to Parliament square, although I accept that the definition is narrower than in the previous Government's legislation. The proposals still place a burden on a constable, but extend it to a local council officer to direct a person to stop doing something and to use physical force to take equipment away. Under the proposals, a person who is convicted may be fined up to £5,000, which is a level 5 offence—I find that draconian, to say the least, and well over the top—and a formal application would still have to be made concerning loudspeaker use and to prevent the erection of sleeping structures.

The bizarre debate in Committee about what is a sleeping structure was extremely entertaining. The most intense and heated part of the debate involved the modernist versus the traditionalist: those who supported the duvet approach to sleep as against those who supported the blanket and sheet approach. That is the nature of the judgments and valuations that individual police officers will have to make: "Is that a sleeping bag I see in your pocket or are you just pleased to see me?"; "Is that a sleeping structure you're carrying with you or a banner supporting the Police Federation?" It will become absolutely ludicrous. The other issue is this: what if someone can sleep standing up, leaning against a structure or against a wall? Does that become a sleeping structure itself? We will go through the same old problems that we had with the previous legislation.

I will be brief, because other Members want to speak, and there is another important group of amendments to discuss. The reasons for the amendments are very straightforward; they have been rehearsed in Committee and in debates on the previous Government's legislation. In this country, we pride ourselves on a strong democratic tradition of peaceful protest. That has created climates of opinion external to Parliament that have influenced decisions in this House and the decisions of Governments

of all political persuasions. It is linked to the fundamental right to free speech and fundamental right of assembly and association. In everything that we do in this House, it behoves us to guard against undermining any of those basic human rights.

Mr James Gray (North Wiltshire) (Con): I entirely agree with the hon. Gentleman about the right of peaceful protest and the strength of our great British democracy in allowing that. Surely, however, there is a distinction to be made between those who are genuine protesters—I rather agree with him about loudspeakers, incidentally—and those who are campers and dossers staying on a permanent basis, and who are demonstrably an eyesore.

John McDonnell: I do not think that the peace campaigners in Parliament square are vagrants or dossers; they are performing a basic democratic service. If they were vagrants or dossers, other legislation, which is used on a regular basis across the country, is available to address that problem. Spending parliamentary time specifically to target half a dozen people who are trying to express their democratic wishes demonstrates to the outside world that we might not have our priorities right.

Jeremy Corbyn (Islington North) (Lab): I am sorry that I missed the earlier part of my hon. Friend's contribution. He will be aware that a great deal of parliamentary time has been spent discussing Parliament square over the years, all of which has been unsuccessful from the point of view of those who want to clear it of all signs of protest. Is he aware that in the United States, there has been a peace camp outside the White House for some 15 years, and that there have been peace camps outside the Australian Parliament and other places? Is it not part of something that we should be proud of, namely the democratic tradition?

John McDonnell: It is exactly that. Before my hon. Friend arrived, I mentioned that it is a traditional form of expressing democratic views. Rather than banning or impeding it, we should celebrate it. It is as simple as that.

This matter is linked to fundamental human rights. In the Human Rights Act 1998, we adopted those human rights specifically in legislation, but we accepted that they are qualified and can be limited. I accept that, but any limit has to be proportionate and for a legitimate aim. We have to be clear what harm is being inflicted as a result of an individual's activities if we are going to restrict their fundamental rights. That is the problem with this debate and the debate under the previous Government. There has been no clarification of exactly what harm is being done outside Parliament that requires such disproportionate legislation. As far as I can see, there is no legitimate aim in the proposals of this Government, just as there was not in those of the previous Government.

The issue of security was raised by the previous Government and in the Public Bill Committee. People will remember the ludicrous debate that was held last time around when we were all worried that members of al-Qaeda would hide behind the banners erected by Brian Haw. That was actually suggested in this Chamber. I remember the last IRA attack in London because it nearly hit us when I was in my office. It came from a

[John McDonnell]

Transit van that fired missiles, which landed near No. 10. The police officer made it very clear in Committee that the peace campaigners out there have allowed their tents to be searched whenever they have been asked. There is no security risk.

The other issue is whether there is a threat to public order or any form of violent behaviour associated with the peace camp. As far as I am aware, none of the peace campers, including Brian Haw, has been prosecuted for violent behaviour. That issue has not been raised to promote this legislation.

The main objection is therefore the aesthetic one. People do not like the look of a few tents and campaigners outside Parliament. I do not accept that people's aesthetic judgments can be used to undermine someone's basic human rights of free speech, association and assembly. And anyway, the protest won the Turner prize, so there are different judgments here about aesthetics. However, I do not want to get hon. Members going about the Turner prize. It reduces the argument ad absurdum that we regularly spend a few hours in Parliament on an aesthetic judgment because some peace campaigners outside Parliament annoy a small, or perhaps even a large, number of Members.

Paul Flynn (Newport West) (Lab): My hon. Friend will know that the processions of our fallen will no longer go through Wootton Bassett, and that an attempt was made to move the announcement of the names of the fallen from Wednesday to a Monday and a Tuesday. The Government wished to bury the bad news. Is it not a matter for celebration that Brian Haw, through all weathers and for 10 years, has reminded us in the House of the terrible results of war and the price of those who have fallen?

3.15 pm

John McDonnell: Whether or not people agree with Brian—and I do—he provides us with an essential service in reminding us of the consequences of our decisions in the House. That might offend some people, but sometimes it is helpful to have such offence to draw our attention to the consequences of what we do here. Whatever Members think, and whether or not the tents annoy people who think they are messy or untidy, that is no reason to take away people's right to choose their method of peaceful protest.

Mr Gray: If the hon. Gentleman was not prepared to accept the distinction that I proposed to him a moment ago, might he not accept that there is a distinction to be made between Brian Haw, who is quite possibly a genuine peace protester and possibly to be respected for his commitment, and the large number of other people who have appeared in recent months and put up their tents? Who knows who they are? If he will not accept that distinction, how many more tents should we accept in Parliament square before we decide that the people in them are illegal campers rather than protesters?

John McDonnell: The hon. Gentleman has an exceptionally valid point, which has to be addressed reasonably. Wherever in the country we find that constructions have been erected that people find

objectionable, we use planning legislation to deal with them. That legislation already exists. The other people who have joined Brian Haw are mostly peace protestors, and others have come along in support of other causes. If the hon. Gentleman remembers, we had the Tamils come along when the war in Sri Lanka was going on. They camped there for a week, and it would have been heart-rending to try to shift them when they were seeking to influence us to intervene to seek peace, which we did. We helped as best we could to prevent further disaster in Sri Lanka. It is all a matter of reasonable judgment and trying to ensure that we protect basic human rights. The grounds for incursions on human rights cannot just be about the aesthetic displeasure of a number of Members of the House. That is why repealing the previous Government's legislation was extremely important.

In the debate on that legislation, and I believe in Committee on the Bill, the question was asked whether allowing one group of people to protest precluded others from turning up to protest. Shami Chakrabarti of Liberty, to which I pay tribute for the support it has given us on the issue, has made it clear that there has been no evidence of other people saying that they cannot protest, or of a backlog of protestors unable to get to Parliament square.

Jeremy Corbyn: Perhaps I can help my hon. Friend on that point. I can recall at least two demonstrations in the square that Brian Haw and others possibly did not support. One was when a pig, Winston, was kept there for some months by a pig breeders association, until Winston became too big for the square and had to move on to pastures new. There was also the pro-hunting lobby, for which I do not think Brian Haw had a huge amount of sympathy. Nevertheless, the pro-hunting lobby and the peace campaigners managed to co-exist for quite a long time. That proves that democracy can work even in Parliament square.

John McDonnell: There was a worrying consequence of one of those cases—I think Winston got eaten, as a form of capital punishment introduced as a result of what happened. However, a range of protests have taken place in Parliament square unhindered by Brian Haw and the other protestors. If there were a specific harm caused, and one protestor or group of protestors was preventing others from protesting, we should legislate on that specifically rather than have the blanket approach in the Bill.

The amendments are fairly extensive and are in three basic batches. The first begins with amendment 162, and suggests scrapping the previous scheme and preventing the new scheme from being introduced. The proposal is based on the commitments that both coalition parties made before the election, and the argument is the same: this Government's proposals disproportionately target protests and protesters, just as the previous Government's measures did. The amendments would remove the powers to harass peaceful protesters. It is very straightforward: there is enough legislation on the books already to prevent protests in Parliament square that we feel impede the operation of Parliament or in any way cause disorder. In effect, the amendments would remove the restriction on protests in Parliament square overall.

The second of three batches of amendments begins with amendment 171. They propose a reasonable, and a more appropriate and proportionate, alternative. Basically, amendment 171 would introduce an injunction process, whereby people concerned about prohibited activity within the square could apply to the High Court for an injunction. It defines "prohibited activity" not as tents or the use of loudhailers, but specifically as something that

"may result in serious public disorder or serious damage to property; or... where the purpose of the activity is the intimidation of others with a view to compelling them not to do an act they have a right to do, or to do an act that they have a right not to do."

Existing public order legislation can already deal with security concerns and violence within the square, but if hon. Members want specific powers, the amendment would give people the opportunity to seek an injunction, which would be imposed by the High Court if it reasonably believed that a prohibited activity or serious disorder was being planned or had taken place. Basically, that would introduce due process into the act of preventing people from undertaking protests within the square when that could result in public harm. The harm on the basis of which someone's human rights can be restrained and constrained is thereby defined. Amendment 174 would in addition reduce the overall penalty to level 3, which attracts a £1,000 penalty, rather than the current £5,000 penalty.

Our next batch of amendments—the batch of last resort—addresses who will implement the legislation. As I said, at the moment, the existing legislation and the Bill put an unmanageable burden on police officers. At the same time, the Bill introduces local authority officers into what could be very difficult and dangerous waters.

I propose that if a police officer is to take such decisions, it should be a senior police officer rather than a constable. We should remember that the decision will be to direct someone that they cannot protest in a certain way, and that they must give over their loudhailers, sleeping equipment or whatever. The officer will also have the ability to use force to take such things and arrest people, which is an extensive power that could cause unnecessary conflict. That should be done by a senior officer.

Amendment 185 would mean that if an officer is to arrest someone, that officer should at least be a police constable—I do not believe that that should be the role of a local authority officer. The Bill introduces a vulnerability to local authority officers, who are not trained to undertake such work, and who are not capable of exercising the judgment that police officers exercise. Police officers are trained to make judgments instantaneously on whether someone is committing an offence, and on balancing human rights and an individual's behaviour. A series of linked amendments would mean that a court could prohibit someone for only seven days rather than 90, although I can understand why certain Labour Whips do not want that for some of us.

As I said, amendment 174, which is in this batch, seeks to reduce the scale of the fine from £5,000 to £1,000—from level 5 to level 3. It is a matter of judgment, but I feel that the fine of £5,000 is so heavy that it will intimidate anyone seeking to organise a protest on the square or even thinking of applying for a licence, because something could go wrong and they would then be held

liable. Rather than risk people thinking twice and therefore not coming along to protest legitimately, we should err on the side of caution before deterring people from such activity.

The amendments would define the powers on court conviction much more clearly to avoid the individual summary offence. They also address issues involving the forfeiture of any items. There is a danger that, under the wide and vague power given to police officers at the moment, police officers can take goods from people in a summary way without there being recourse to the courts.

I have rattled through the amendments, because I know that a lot of Members want to speak. *[Interruption.]* Well, I think they do. Certainly, members of the Committee will want to speak. However, the issue before us sets a test for individual Governments. It relates not only to major issues, but to smaller ones such as this. It is a test of whether Governments are, as they say they are, truly liberal and committed to human rights, and whether they really want to be reforming Governments. This might seem like a minor issue for the House to be addressing—I do not think that we should be wasting our time, and we should not be introducing this sort of legislation—but it is an important test on which the Government will be judged.

In opposition, the Conservative party agreed that this legislation was outrageous and illiberal, and it promised before the election that it would scrap it and support the right of peaceful protest, which I supported as well. Now the Government have introduced proposals that vary very little from the existing regime. In fact, they will become equally contradictory. As a result of this small matter, I believe judgments will be made on the illiberality of the coalition Government, and on their competence too. If this measure is implemented, and individual officers seek to enforce it, it will produce conflict. It will demonstrate an illiberality of mind and the oppressive nature of the Government's approach.

On that basis, it would be wrong to legislate in this way. I appeal to the traditions not only of my own side but of the Liberals in respect of the right to protest and to freedom of speech, and those of the Conservative party in respect of individualism. I think Disraeli said that man is great when he is motivated by his passions. Those people out there are motivated by a passion for peace and against war. We should not do anything to impede the expression of their views, but that is what this legislation does, and that is why I urge the Government either to withdraw the provisions or support at least elements of my amendments.

Mr Mark Field (Cities of London and Westminster) (Con): Unlike the hon. Member for Hayes and Harlington (John McDonnell)—and, I suspect, every other Member in the House at the moment—I did not have the privilege of being on the Bill Committee. As he will appreciate, however, Parliament square stands in my constituency.

I have quite a lot of sympathy with a number of the things the hon. Gentleman said in speaking to his amendments. Above all, there is nothing worse than the sheer powerlessness of this place in the public's eye. He was right about the indeterminate number of hours spent on this small matter over the past 10 years. We need only consider the incidents and terrible disturbances last weekend on Piccadilly circus and Oxford street. There is a sense of powerlessness. Many constituents—they

[Mr Mark Field]

would not necessarily blame the police, and neither would I—think, “These events are allowed to go ahead, yet we have absolutely no say in the matter.”

In many ways, I agree with what the hon. Gentleman said about the sense in which Parliament is weak and almost entirely marginalised when such debates take place. A decision can be taken by Executive order to go to war and then be rubber-stamped 48 hours later in a parliamentary debate. I know that he and I take very different views about the rightness of what has happened, but I would agree with him in this regard: we spend endless hours debating such matters to no avail and end up with unworkable legislation. We have had some unworkable legislation in the past, so I share some of the hon. Gentleman’s fears that we might be going down that route again.

3.30 pm

I agree with the hon. Gentleman that it is important to have open opportunities for the public to protest. Whether we like it or not, Parliament square is an iconic place, in front of the Parliament building. There can be no other place where a more legitimate protest can take place, on an occasional and high-profile basis. I would be loth to repeat the idea of the erstwhile Administration, which was to have a 1-mile exclusion zone around Parliament, on the spurious grounds, as the hon. Gentleman pointed out, of security. That was entirely wrong and an absolutely absurd route to go down. To that extent, my party has gone down the right route in this Bill by trying to row back from that position.

However, I share fears about the legislation still being slightly unworkable, not least because so many different authorities are involved, from the police and Transport for London, to the Mayor of London and Westminster city council. I entirely agree with the hon. Gentleman about too much power potentially being in the hands of local authority officers. I do not doubt their ability: many are very able and have shown great judgment. Indeed, in places such as Westminster, local authority officers deal with such problems on a more day-to-day basis than they might in—with great respect—a borough such as Hillingdon. Ultimately, however, these are policing matters. Given the security, the high profile and the difficulty of a lot of what happens in Parliament square, it makes sense for the Metropolitan police to be involved in the process, rather than local authority officers.

John McDonnell: Can the hon. Gentleman update us and clarify whether it is true that the local authority and the Mayor have now secured sufficient legal judgments in the courts to remove the peace camp in due course anyway?

Mr Field: I understand that that will be “in due course”, and there is of course an important event on 29 April, which is in everyone’s minds when it comes to trying to clear the square, which is very much a focus.

Paul Flynn: Is the hon. Gentleman seriously saying that we have to trample on the precious freedom to demonstrate in order to tidy the background for the royal snapshots?

Mr Field: The hon. Gentleman might not be quite as much of a royalist and a monarchist as I am, but he will appreciate that that is not what I am saying. However, there was a focus on trying for this thing, although the wheels of the law take a while to turn—there are a number of lawyers in the House, including, either side of me in the Chamber, some rather more distinguished lawyers than I ever was in my brief legal career. I understand that there will be no further legal proceedings on the matter until considerably after 29 April.

Jeremy Corbyn: It occurs to me that the people in Parliament square might actually be awaiting the royal wedding and have got themselves a good place from which to see it. They have got there early. We should commend them for their enterprise in being there so far ahead of the date.

Mr Field: I suspect that it is only a matter of time before the *Evening Standard* discovers a secondary market for the tents that are already erected, let alone any new ones that go up.

John McDonnell rose—

Mr Field: I suspect I will never get off this point.

John McDonnell: But it is a valid point, which was also addressed in Committee. We get ourselves into a ludicrous position in which someone turning up with a sleeping bag to wait for the wedding—as the Prime Minister did, when, as he told us, he turned up with his sleeping bag for a previous royal wedding—could be arrested under the legislation in the same way.

Mr Field: Ad absurdum, the hon. Gentleman’s argument is right. However, that is also precisely the distinction that we have to face: the distinction between a one-off arrangement for the one, exciting night before a major public event, and having a permanent encampment around Parliament square. It is to the latter that most sensible people—not those only in this House, but many millions of our constituents—would turn their minds. It is not acceptable that a UNESCO world heritage site—Parliament square, the parliamentary buildings and Westminster abbey—is blighted by having a large permanent encampment. That is an issue, in part, of aesthetics. However, millions of tourists come to Parliament and they must be dismayed by what they see, week after week, month after month. It cannot make much sense for us to allow it to continue.

To an extent, I had sympathy with elements of what the erstwhile Government were trying to do, such as their idea of having a licensed system covering demonstrations when major debates were taking place. In my view, it would have been entirely legitimate, for example, on the day we had our debate on Libya, for those who felt strongly about the issue, on either side, to have held a large, peaceful demonstration. But the notion that encampments can last day after day, week after week, is another matter. The hon. Gentleman referred to the Tamil encampment that was in Parliament square in the autumn of 2009, which reached a ludicrous stage. There was a lot of noise and disturbance. There were old-fashioned local authority health and safety issues, as well as the whole question of toilet provision, and the area became something of a health hazard as the Tamil group camped there for six weeks before finally leaving.

Many of our constituents are bemused by our sheer powerlessness, and by the fact that we have not been able to get our act together to get the necessary workable legislation in place to ensure that we can achieve our goal.

Stephen Phillips (Sleaford and North Hykeham) (Con): One of the reasons that the previous Administration were on such a sticky wicket in regard to the legislation was that it simply did not work. This provision seeks to create a legal regime within which legitimate demonstrations can take place and be adequately controlled in accordance with the UNESCO status of Parliament square.

John McDonnell: That's what the last lot said.

Mr Field: Indeed, one has heard those words before. My hon. and learned Friend the Member for Sleaford and North Hykeham (Stephen Phillips) is a relative newcomer to the House, but I fear that we have been having this debate for many years. As we all know, the workability, or otherwise, of legislation often does not become apparent until well after an Act has been placed on the statute book.

It is essential that we do our best, and we must protect the right to protest. I appreciate that Parliament square is a special place for protest, and I would be very loth to see the perhaps spurious ground of security being used to prevent legitimate, high-profile protest on days when debates were taking place in the House of Commons on high-profile legislation. This encampment, however, does disturb some local residents. That certainly happened when the Tamils were here in great numbers in 2009, and many residents wrote to me to say that their sleep was being disturbed.

We need to strike a balance. Either we have to solve this problem or we have to move on, because there is now a sense that we are powerless. Parliament and all the authorities are becoming a laughing stock. This should be a tremendous site for millions of tourists to visit from across the globe. Parliament is the most iconic building in the United Kingdom, and having that eyesore here is unacceptable. I hope that the Minister will take on board some of the very valid comments that have been made by the hon. Member for Hayes and Harlington, but I also hope that we will move hastily towards getting a workable provision on to the statute book to ensure that that eyesore becomes a thing of the past.

Jeremy Corbyn: I am sorry that I missed the earlier part of the speech by my hon. Friend the Member for Hayes and Harlington (John McDonnell). I pay tribute to the hon. Member for Cities of London and Westminster (Mr Field) for the measured way in which he has represented his constituents in the debate. He is fortunate to represent this constituency, but he also recognises that this area is a centre of national life and that there are bound to be demonstrations here. One should thank him for that.

I thank my hon. Friend the Member for Hayes and Harlington for tabling the amendment and for his consistency in standing up for civil liberties and the right to protest. We have debated Parliament square on many occasions. Indeed, a Select Committee once took it upon itself to examine the issue, and the former

Member for Macclesfield, Sir Nicholas Winterton, invited me to give evidence. The Committee sat in due deliberation for several weeks discussing Parliament square. I gave my evidence, and the former Member for Macclesfield questioned me at some length. I think the House is beginning to get the flavour of the occasion. A report was duly prepared and legislation was duly proposed. That legislation was duly carried, and duly challenged in the courts.

The Herculean parliamentary effort to remove Brian Haw and non-existent protestors from Parliament square succeeded in being passed into law—and the only person unaffected by it was Brian Haw, because he successfully challenged the legislation on the basis that he was a pre-existing resident of Parliament square. One has to pay tribute to Brian Haw for making legal history by doing nothing more than taking up residence in Parliament square. Parliament made itself look a total ass during the whole process, sitting in all due majesty, but having no effect whatever on what Parliament wanted to achieve. We should thank Brian Haw for that. I know he has not been well recently, and I am sure all Members will join me in wishing him well in his recovery. He has shown courage, principle and determination. Not everybody agrees with him, but I think we have to respect it when somebody is prepared to give up such a long period of their life for a cause. Let us all respect it and admire it.

We should also recognise something about the importance of this building and this area of London. The previous Mayor of London, Ken Livingstone, had a plan for reducing traffic in Trafalgar square. He succeeded by closing the north side to through traffic and wanted to carry out a similar plan for Parliament square. I am not sure which side of Parliament square was due to be closed, but we should think about this. I feel constantly sorry for the number of visitors arriving to see Parliament. Because of the size of the building, the difficulty of ensuring its security and so forth, the number of people who get in is much smaller than the number who would like to get in. I realise that we are slowly changing that, which is welcome, but most people have to spend most of their time fighting traffic lights and motor traffic simply to see the building. We should invite the Mayor to revisit the whole question of traffic planning, traffic layout, widening pavements and reducing traffic through the square so that everyone can see a very fine and very beautiful building, and enjoy the experience. It is possible to spend some time seeing other national assemblies and Parliaments around the world without having to dodge traffic—I am thinking of the United States, Sweden and a number of other places.

History often turns on itself on these occasions. This country is very good at the incorporatist view of history, as I put it. It is ironic, and many visitors do not always appreciate it, that Oliver Cromwell has a statue outside Parliament, while further up the road is a statue of Charles I and, indeed, not so far away, one of Charles II. They are all part of our history, and they should all be remembered and commemorated for what they did. Many people are vilified for their protests, yet commemorated later. Why do we have a plaque in St Stephen's entrance to Marjory Hume, who chained herself to a statue there? The statue was damaged during the removal of her chains, when she was there demanding votes for women. Downstairs we have a

[Jeremy Corbyn]

plaque to Emily Wilding Davison, who locked herself in the broom cupboard to protest about the census of 1911 and in support of voting rights for women. Many other examples of people who have participated in protest outside this building and in this area have become part of our history and part of the road towards what one hopes will be a more democratic society.

Attitudes have changed quite a lot. The Sessional Orders used to be enforced extremely rigorously so that whenever the House was sitting no procession was allowed within a mile of Parliament. The police then relented slightly and changed their attitude. As I recall it, the first time they relented was when General Pinochet was in this country—detained in luxury in Virginia Water. “El Pikete”, as it was known, the Chilean picket that dogged him all the time, had a candle-lit event overnight in Parliament square. It was approved by the police and was an iconic and memorable event; it was part of our history that Pinochet was here. The Stop the War protest took over the square on 18 March 2003. When we debated Trident, the CND protest was here, and others have drawn attention to protests by Tamils, by pig farmers, by the Countryside Alliance and by the pro-hunting lobby—all kinds of people have demonstrated in Parliament square. We are a national Parliament. We are supposed to be the focus of political debate. I think that we make ourselves look more than a little ridiculous if we go to enormous lengths to stop people demonstrating outside Parliament. It is part of a democratic tradition, and it is part of our life.

3.45 pm

Every Member will have observed, on television, what happened in Tahrir square in Cairo, in the central square in Tunis or at the Pearl roundabout in Bahrain, and will probably have said, “Good on you, well done, you have stood up against a state that tried to prevent you from demonstrating.” I am not suggesting that the current regime or indeed any other regime in Britain is or has been the equivalent of the regimes in those countries, but I do believe that the principle of the right to protest and to dissent is the very stuff and centre and heart of a democratic society. I hope the House will recognise that the amendments are designed to ensure that the traditional right to protest is maintained, and that protests can take place outside.

The hon. Member for Cities of London and Westminster said that aesthetic considerations should apply to a world heritage site, and that is true. Some would argue that siting the wheel—the London Eye—across the road was aesthetically inappropriate. Indeed, I advanced that argument very strongly, and for the first 15 years of the London Eye’s existence I refused to go on it. I finally swallowed my pride, relented and went on it last year, and it is a fine experience, particularly on a cloudy day when it is impossible to see anything. I still consider that siting it there disfigured the area, but anyway it has happened.

The hon. Gentleman said that because this was a world heritage site, protests should not be allowed. At least, I think that that is what he was saying, and I do not entirely go along with him. Protests have taken place outside Menwith Hill listening station in Yorkshire for a very long time. Which is the bigger

eyesore, the protest or the listening station? I think I know the answer to that, and I think everyone else does as well.

Mr Field: May I clarify what I said? I did not say that there should be no protests, but the permanence of the encampment means that all the paraphernalia of the barricades is there permanently, which is clearly not compatible with a world heritage site under UNESCO rules. I was trying to draw a contrast between that and large-scale demonstrations on, perhaps, half a dozen days a year relating to debates that are taking place in the House.

Jeremy Corbyn: I was not trying to put words into the hon. Member’s mouth. The agreement of the police to the anti-Pinochet demonstration some years ago showed sensitivity, intelligence and involvement on their part. If we approach the issue in a co-operative way, recognising the right to protest, rather than immediately reaching for the law and the barricades and confiscating equipment, we may proceed a bit further down the road.

John McDonnell: The problem with the Bill is that it addresses the issue of protesters sleeping in the square overnight, but does not adequately address the concept of permanence. The peace protesters say, “We are not here permanently; we are just here while the country is at war. Cease the wars and we will depart.”

Jeremy Corbyn: That is a fair point. It does no harm for Members who come into and go out of the building every day to be reminded that we are involved in wars. I do not think that we should be, but others disagree. In any event, we need to be reminded of the decisions we have taken and of why we have taken them, and there is a constant reminder out there.

British television shows what some people consider to be shocking scenes in Westminster on the occasion of the state opening of Parliament, but other people around the world say to me, “Thank God that you live in a democracy where protest is allowed even on a day like that.” The Queen goes past in the gilded coach, and we see Brian Haw behind her. I think he once gave her a wave, actually. That is an example of protest in a democracy.

Other countries have experienced significant protests, such as Mexico. After the 2006 election, the result of which was hotly disputed, 1 million people occupied the centre of Mexico City for weeks on end in encampments. The mayor of Mexico city decided that it was impossible to move them, and that it would be wrong to do so because they were mounting a legitimate protest. Had he tried to move them, the consequences would probably have been pretty serious and severe.

Democracy is never simple or straightforward, and our image is never straightforward. We do not live on a chocolate box cover or in a postcard environment. We live in a working parliamentary building, and that working parliamentary building ought to be the centre of our democracy. The centre of our democracy is the right to support, the right to protest, the right to dissent, the right to campaign. It is a very powerful tradition.

This House is full of powerful traditions. I think of Charles Bradlaugh and the way he stood up for what he believed, and Tony Benn standing up on the issue of

hereditary peerages, and so many others. They are part of our life and our history. We will make ourselves look very silly if we simply stop people taking part in such protests, because if we deny them the right to protest here, they will protest somewhere else; we will move the law somewhere else and make ourselves look even more ridiculous. We should be a bit grown up about this and accept that diversity and differences of view are good things. That is what makes a democracy vibrant and real.

Dr Huppert: It is a pleasure to follow the hon. Members who have spoken on this topic so far. I absolutely respect the stance of the hon. Member for Hayes and Harlington (John McDonnell), the passion with which he has spoken on these issues over so many years, and the spirit in which he moved his amendments. I had some sympathy for him, especially after the past 13 years, when he appealed to the Liberal vision of freedom and said that he could not appeal to his own party's tradition on that.

It is also a pleasure to speak after the hon. Member for Cities of London and Westminster (Mr Field), who clearly knows about these topics, and who perhaps represents in his constituency more historic buildings than I do in Cambridge, which I envy slightly. *[Interruption.]* It is close, however, as he says.

It was great that the hon. Member for Islington North (Jeremy Corbyn) paid tribute to one of my predecessors as Member for Cambridge, Oliver Cromwell, who was probably one of the greatest political reformers the House has ever had. I am not saying I agree with everything he did, but as he is one of my predecessors, I feel I should speak up for him.

Peaceful protest plays a critical role in our country, and I hope that everybody agrees that we should encourage and respect it—I hope we all share that spirit. It is good that the Government are undoing some of the worst things the previous Government did in this area. I share the hon. Gentleman's concern about the speed of the changes and his wish that they would move faster. I am grateful for the progress that has been made however, and I will continue to try to unwind even faster all the problems that have arisen.

I am not as persuaded as some of the Members who served on the Public Bill Committee—both Government and Opposition—that the encampment in Parliament square is a problem. I do not share the concerns about it being an eyesore; although it is not something I particularly like to see, it does not bother me. We also had a discussion about the effect on tourism, and I do not share that concern to the same extent as some other Members.

I am delighted that the Government are repealing sections 132 to 138 of the Serious Organised Crime and Police Act 2005. We said we would do that when we came into government—both coalition parties were clear on that. The key question is: should there be any lesser replacement for those provisions? The Metropolitan police have made their attitude to peaceful protest very clear. I have been pressing them on this in the Joint Committee on Human Rights, on which I have the pleasure of serving. They are very clear that their role is not to prevent peaceful protest, and it is not even to allow peaceful protest; Assistant Commissioner Lynne Owens was very clear that their role is to facilitate

peaceful protest. That is absolutely right. The job of the police is to make it easier for such protests to take place. That does not mean I agree with all the protests—I happen to disagree absolutely with a number of them—but the role of the police must be to try to make it easier for them to happen.

The key question was put very clearly by the director of Liberty, Shami Chakrabarti—she is always very clear—when she asked: what is the harm? I should declare an interest: I used to be on the national council of Liberty, so I am perhaps biased in my opinion of her, but I am sure that other hon. Members would join me in paying tribute to her efforts over so many years in that cause. We need to address the question: what is the harm? We should be having only those controls appropriate to that harm. I do not agree with the level of assessment of harm put forward by some people so I understand the separate blocks of amendments suggested by the hon. Member for Hayes and Harlington, although I hope he is not going to put them all to the vote, because that would take a long time and some of us were hoping to get home to do some constituency work tonight.

The idea of having no constraints is unlikely to attract support—that is a shame, but I have accepted that that is the case—so the debate has been about the practicality of how to work out something that interferes as little as possible with the right to peaceful protest, which I take extremely seriously. We discussed a number of aspects of that in Committee.

John McDonnell: It is important to put on record the fact that this debate is not about having no constraints, because the public order legislation is in place. It contains those constraints, which prevent violent disorder and public disturbance.

Dr Huppert: That is a very good point. A range of legislation applies, and in Committee we discussed some aspects that could or could not be used. The hon. Gentleman is absolutely right to make that point, but the question is whether the provisions before us are required.

I do not propose to detain the House by going through all the discussions we had in Committee, because I am sure that Members can read *Hansard*, if they have not already done so—I am sure that many Members have. Questions arise on the scale of activity. There is a spectrum and we need to consider: who should be allowed to do what; how often; and for how long? The worst of the Bill's original proposals was the one to give council officials, or even non-council officials given authority by a council, the power to use reasonable force to try to deprive a protestor of an item of property. I was extremely alarmed by that. I am not comfortable with the idea that those people, who are not trained, should be allowed to use that power, and I was not alone. I thank the Minister for listening to me when I voiced my concerns early on and for having to endure our talking about it extensively in Committee.

In one of the Committee's evidence sessions, I asked what our witnesses thought about that proposal. Shami Chakrabarti, from Liberty, made her position very clear:

"I am also very nervous about non-police personnel exercising those powers."

None of us would be surprised about that. Metropolitan police Assistant Commissioner Lynne Owens made the

[Dr Huppert]

point that police officers receive a lot of training and operate within a legislative framework and a misconduct procedure, but she said:

"The provision on the use of force would make us nervous"—
[Official Report, *Police Reform and Social Responsibility Public Bill Committee*, 20 January 2011; c. 113, Q32.]

Mr Mark Field: As the hon. Gentleman will have gathered from my contribution, I have considerable sympathy with what he is saying. However, how would he view the counter-argument, which is that there is a risk of upping the ante by having people in uniform—police officers—doing this work, rather than making this a local authority-related civil offence? Does he think there is a risk that bringing uniformed officers into the piece could turn a peaceable situation nasty?

Dr Huppert: There would be no requirement to bring the police in if one did not want to use "reasonable force" powers. I am very alarmed at the idea of a council official, who might not be particularly well trained, who might not be in uniform and who might not have any obvious form of authority, having the power to use reasonable force in such an instance. If I was involved in a situation like that, I would not expect that person to have such powers. If one did not wish to escalate the situation, one could simply not use reasonable force—one could use no force at all.

Mr Field: But does the hon. Gentleman not accept that the use of the words "reasonable force" in the legislation is to protect the council officer, rather than to reflect what might take place?

Dr Huppert: I think that that was indeed the intention, but "reasonable force" is not a beautifully defined phrase and it is tough to define it. It is particularly tough for people who are not experienced to work out what is and what is not "reasonable force", particularly in a situation that may well be inflamed. I would not want to see council officials having to make those tough judgment calls.

4 pm

That brings to me to the comments made in Committee by my hon. Friend the Member for Edinburgh West (Mike Crockart), who used to be a police officer and policed public order situations. He made the point that it is hard enough as a police officer to deal with such situations during public order protests. Some people will resist and some will be reluctant to accept authority, and that is in the context of the specific training received by the police, which would realistically not be available to council officials. Bringing police into such a situation, if it escalates, is relatively easy. We are talking about an area that the police can get to pretty quickly if requested—I do not think we are short of police officers around Parliament. Bringing the police in would also comply with other situations. For example, bailiffs will often have the police standing by; they hope not to use them, but they are available if necessary.

The power for council officials and others to take such action was, to me, the single worst item in this part of the Bill and I am therefore delighted that after a

number of discussions the Minister and the Government propose to get rid of it. I thank the Minister for his work and for accepting the points that were made. We are not yet in the position I would like to reach, and I hope that there will be opportunities in the other place to discuss the next level up and whether those council officials should make judgments about property confiscation.

I am relatively relaxed, within the context of the framework, with the idea that council officials should be able to give a direction, because non-trained officers are often allowed to do that. Confiscation powers give me a little more pause for thought, however, and I hope that the Minister will consider them. I hope that he will also reflect on our discussions in Committee and elsewhere about the interplay of various other aspects of the situation. A direction can be given lasting for 90 days, it can be given orally and it can be given by one of the officials. I understand the reason for each part—for example, I understand why an oral direction would be needed for a large crowd—and that is why I do not think that the amendments dealing with senior police officers will work. If there were a large number of people, it would be odd to make one police officer go round individually to each one.

There need to be some constraints. A 90-day period under an oral direction is very hard on the person subjected to it, so there should be a written record if at all possible. I hope that the Minister will reflect on that and give us some assurances that that will be the case—whether in his comments, in the legislation or in regulations.

Paul Flynn: The Prime Minister, in one of his more messianic moods, recently told the House that he defended the right to protest from Tahrir square to Trafalgar square. It would not have had the same resonance had he said from Tahrir square to Parliament square, because of the Bill before us today.

I do not know whether Members are familiar with some of the restrictions on our rights as hon. Members to raise certain issues. On two occasions, I have read out the names of the fallen in Iraq and later in Afghanistan, but it is no longer possible to do that because it would be declared out of order—a ruling was made in the previous Parliament. It is now very difficult to read out the names from Afghanistan because there are 320 and, if one included the ranks, it would take half an hour to read them out. We are forbidden as MPs to read out the names of the fallen in the wars who died as a result of our decisions. A woman read out the names of those who had fallen in Iraq at the end of Downing street, and for doing so she was arrested and jailed under, I believe, the Terrorism Act 2000.

Other restrictions have been introduced more recently. There has been a change to the route by which the bodies of the fallen are taken through Wootton Bassett. They will not be taken by that route, a good reason has been given and the town has been given a royal prefix as a tribute to what its people have done. I think we all appreciate the reminder they gave us; it was a powerful picture to see the bodies being brought through Wootton Bassett and to hear the sobs of the families. The grief is obvious on the television. That will not happen any more.

Twice last year, the names of the fallen were announced first on a Monday and next on a Tuesday, and it was only as a result of points of order and early-day motions that we returned to having announcements made at the right time, when they should be made: at Prime Minister's questions, a time of maximum attendance in this House and maximum attention from the world outside.

I am afraid that the previous Government and this Government want to ignore the consequences of our actions. For 10 years Brian Haw, heroically, has given us and many people in the country a reminder of our decisions.

Mr Denis MacShane (Rotherham) (Lab): The practice of the Prime Minister reading out the names of those who have fallen in Iraq or Afghanistan started in June 2003 with Tony Blair. It never happened before. Does my hon. Friend think that we should have read out those names in the Kosovo conflict, the first Iraq war or the Falklands conflict?

Mr Deputy Speaker (Mr Nigel Evans): Order. We are going wide of the amendment.

Paul Flynn: In the first world war there were pages in newspapers listing the fallen and those missing in action, so it would not have been practical then, but it is practical in this conflict. Sadly, we are still losing soldiers—about one soldier a week dies in Afghanistan—so it is absolutely right to continue reading out their names and making such announcements. The Government should not stop doing that. I do not know whether my right hon. Friend agrees that MPs should be forbidden from reading out the names of the fallen, but I do not think that was a reasonable decision. I have challenged it and been stopped and I am sure that you would stop me now, Mr Deputy Speaker, if I attempted to read out the names of the fallen.

We really must pay tribute to Brian Haw. On nights when we have finished here and gone out, even in the middle of winter and sometimes in the early hours of the morning, he has been there, night after night, with his simple, anti-war message. Whether we agree with him or not he deserves our admiration and we do not need any attempt to sweep him and his companions out of sight to have a cosmetic effect on the square for an event that will be forgotten in a few years' time.

I agree entirely with those who have said that the right to protest is honourable. If it is a matter of pride when visitors come to London from countries in which any sign of protest would be swept away from their well-manicured streets and tourist attractions. The majority of the world's countries would not allow such protest to take place in such a situation; but we are better and more advanced than them, and we should be proud that we have the right to protest. It is not available in the House, as it might be, but it is in Parliament square.

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): I join the diverse coalition of interests championing the right to protest in Parliament square, but I suspect that that is where the similarity between my interests and theirs comes to an end. Suffice it to say that the Government's proposals take us a long way towards the goal we are all attempting to reach. Some Members might be aware that between 2000 and

2004 I was responsible for eight protests, in different forms, in and around Parliament square, six of which were resoundingly successful but two of which were not. I shall explain why things went wrong on those two. In each circumstance there were conditions that made it almost impossible for the police to safeguard the community and the protestors in a reasonable way. We are getting away from that situation and I commend the Government for their measures in that regard.

In championing the rights of legitimate protest, there are three areas that I want to address—accessibility, affordability and spontaneity. My first point on accessibility is fairly obvious: most protestors need to have the necessary access to make their point while the interests of other users of Parliament square and this building, as well as those of members of the public going about their business, are safeguarded.

Affordability is a rather different issue. It must be in the interests of those of us in this House and outside it to ensure that people who wish to protest can do so with the minimum of obstacles in their way in the lead-up to their protest. If any protestor has to go through a process that involves going as far as obtaining a licence in some instances—not in this one, I add—we will be putting obstacles in the way of those who wish to register, often in the only way they can, their distaste for what we are doing in this House.

Paul Flynn: Does the hon. Gentleman's tolerance for protest extend to defending those who invaded this Chamber in support of a cause that he represented?

Simon Hart: I shall say only that I am surprised that it took so long for that point to be made. I prefaced my contribution by saying that I was going to discuss legitimate protest, so I hope that that answers the hon. Gentleman's question.

I want to discuss spontaneity. It is vital that we enable people who wish to do so to rise up in anger, frustration and exasperation and express their view loudly and lawfully in the minimum amount of time. If there was a problem with the previous legislation it was that the preparation time for protest was rather lengthy if people followed the measures sequentially. The Government's proposals will ease that, which is why I am a big supporter, but it is right and proper to enable people who have read the papers one morning metaphorically to bang on the gates the next morning. If we prevent them from doing so we will fall into the trap to which most speakers have referred of setting one set of rules for our country while condemning those in other countries who adopt a different procedure on protests.

I have referred to the two occasions on which protests in which I was involved went wrong. The first took place in 2004, and there was a legitimate presence of angry protesters as well as of police to ensure the safety of the community. The protesters came that day with every intention of being peaceful, and the police policed the event with every intention of its remaining peaceful. However, Members who have taken part in a protest know that it is a potent and often high-temperature environment, and it does not take much to spark something that leads to a sequence of events which, in our case, led to 425 complaints from members of the public, about 60 people being treated in hospital for serious head injuries, a number of arrests, and an inquiry by the

[Simon Hart]

Independent Police Complaints Commission that lasted nearly a year, cost a fortune and regrettably resulted in a number of Metropolitan policemen being recommended for disciplinary action or worse. That was a thoroughly unsatisfactory conclusion to what should have been a perfectly legitimate protest.

We could debate the cause for hours, but I will suggest one particular reason why it ended up in that unsavoury position. Both parties were the victims of legal rigidity. In the case of the protesters, there was arguably not enough flexibility to enable nearly 20,000 people at one stage to engage in reasonable protest. From the police's point of view, the confines or boundaries were set too tightly to enable them to adapt and adjust their policing as the protest unfolded over the day. When the IPCC report was eventually published, it focused on three things including, first, a complete breakdown of communications for technical reasons between the police and the protesters. That is not an issue for the Government—it is an issue for protesters and police in future—but the second and third reasons are important.

The IPCC confirmed without any doubt that the lack of loudspeaker equipment in the south-east corner of Parliament square led to an inability by the organisers and the police to communicate with a crowd that was contained and angry, which led to unfortunate downstream consequences. That happened because there was confusion about whether Westminster city council, I think, would allow us to have loudspeakers lest we contravene noise abatement conditions. In the circumstances, the police, in my humble opinion, should have had the operational ability to insist on having equipment on site that could have prevented that incident from arising in the first place.

Jeremy Corbyn: The hon. Gentleman is making an interesting point. During one of the Tamil demonstrations that I attended with a number of colleagues from the House, loudspeakers were not allowed for the demonstration. People needed to be moved, because there was a crush in one corner, and the police lent us loud hailers so that we could address the crowd. One could argue that that is breaking the law, but it was sensible and practical. We just need to be a bit more sensible, because there is a safety issue about being unable to communicate with a loud crowd.

Simon Hart: The hon. Gentleman makes a good point. The point I am trying to make is that in such circumstances the police should not be encumbered in any way by having to refer to a local authority, some guidelines or a piece of statute. They should be able to make decisions that protect public safety and the interests of this building and of the demonstrators as an event unfolds. It was the inability to do that on the day in September 2004 that led directly to the unfortunate consequences I have described.

4.15 pm

Dr Huppert: It is interesting to see the coalitions developing across the Chamber on shared interests.

The hon. Gentleman will presumably be pleased to see that clause 142(3)(a) states that for police purposes it is not an offence to proceed with such activity, which I

think will allay his concerns. On a slightly broader point, has he seen the transcript of the discussions that the Joint Committee on Human Rights has had with the TUC and the Metropolitan police about the planning for the demonstration on 26 March, which looked at the use of loud hailers, other facilities and social media? Would he welcome that level of preparation for events so that problems can be planned for?

Simon Hart: I thank the hon. Gentleman for his intervention. The short answer to his question is yes, notwithstanding my earlier comments about the need for spontaneity in—perhaps smaller—events. Steps are being taken in the right direction. However, having been personally responsible for a number of events between 2000 and 2004, I know that we were always led to believe that lessons had been learned from previous protests, but it became quite clear that they had not.

In more recent events in and around Parliament square, and indeed at the G20 demonstrations, it was quite obvious that some of the findings of the IPPC report, which were produced several years ago, had not been implemented, which was unfortunate. Perhaps there is some value, despite the views of one or two Opposition Members, to having this discussion and debate yet again, because it would perhaps lead us a little closer to a situation that is in the interests of protesters first and foremost and parliamentarians last and least.

The third point made in the IPCC's findings was loosely described as relating to lines. I recall only too vividly being told at my meeting with the responsible commander on the morning of the demonstration in September 2004 that there was an invisible line—a line on his order paper—across which protestors could not pass under any circumstances. It was a ludicrous situation, as he admitted. We explained that it was ludicrous because there was no way to guarantee safely with 20,000 people that none of them would at any stage drift across that line for one reason or another. Flexibility was needed, but there was none. The result was that when protestors did drift across the line, officers fulfilled their orders, which was absolutely right, and started to make arrests, which led to a sudden and irreversible rise in the temperature. That contributed to the transition from an angry but peaceful protest to one that fell apart and resulted in serious injuries for a number of protestors and career-threatening implications for the officers concerned.

John McDonnell: That is an extremely valid point. When a particular line is used to demarcate a geographical area, often the protest spills out into another area and matters become confusing. On that basis, I believe that the legislation will simply lead to encampments elsewhere. It is almost a provocation for other encampments breaking out around the city. We should watch Trafalgar square in future; we will be back here in a few months' time, with Members urging us to bring forward further legislation to deal with other areas of London.

Simon Hart: The hon. Gentleman makes a good point. He might be interested to learn that a week after the demonstration we held in September 2004 in Parliament square, the same angry army protested outside the Labour party conference in Brighton. It would be fair to say that the organisers—me—were getting quite nervous

at that stage about what might happen in Brighton, but the lessons learned by Sussex police in those few short days in between the two protests were very evident when we got there, because they successfully achieved a flexible attitude to protestors, and as the temperature rose so they retreated, and vice versa.

The second point that the hon. Member for Hayes and Harlington (John McDonnell) made, which I should address, and which the Metropolitan police acknowledged at the time and subsequently, is that although the law said one thing back in those days, which was, "You cannot march within a mile of the Palace of Westminster when Parliament is sitting," its enforcement by the police would have been entirely foolhardy. They knew and made it very clear to us that, had they prevented legitimate and angry protestors coming to the gates of Parliament to make their point, the consequences might have been even worse.

I am encouraged by the fact that the Government are moving a significant, if not the whole, way towards a situation in which there is greater recognition of the arguments that I have set out—enabling, I hope, the police to exercise that operational flexibility which is so important, which was so lacking and which led so directly to very unfortunate injuries and consequences for a large number of people who were already angry and frustrated.

I endorse absolutely the comments made by pretty well every other speaker. We should not underestimate the anger and the frustration sometimes at the consequences of the decisions that we make in this House, or the helplessness felt by many people who perhaps reside a long way from here, who can play no part in the political process and for whom protest is the only way in which they can make their feelings loudly and clearly heard not just by us in here, but by the media and the wider public.

I support any measure that makes it easier for protestors to exercise that absolutely ancient and important right, and I am not persuaded by arguments, which I hope will be put not too seriously, that the tidiness of Parliament square for the royal wedding is somehow more important than the ability of people to protest. If in the next few weeks we make a decision that has profound consequences for very many people, and those very many people wish to make their feelings heard, why on earth should they not do so? If that happens to coincide with the royal wedding, I argue that their right to protest is far more important, and I am glad that the Government recognise that point and are enabling protest to take place legitimately.

Mr MacShane: I much appreciate the speech from the hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart)—his *apologia pro vita sua*.

I am trying to find out who was responsible for the dramatic changes to Parliament in my short time here, including, for example, the security screen that we now have between us and the Public Gallery. That came about because somebody who felt passionately about the cause of Fathers 4 Justice also felt that he had the right to come in here and throw a pink powder over the Bench—actually, where the hon. Gentleman is sitting; it did not quite arrive on the Front Bench. As a result, we changed the security laws dramatically.

Then, people felt so passionately about fox hunting that an hon. Member allowed a protestor to infiltrate this very Chamber, and as a result we have much tougher security. In the name of protest, we thus have a denial of the right of British citizens to come freely and easily into this House of Commons. When I was first elected, not so long ago, I took an American intern to Central Lobby, where he watched people coming in. I told him, "Any citizen can come here and ask to see his Member of Parliament," and he replied, "My God. You let your voters get that close?"

On Monday night, I hosted the Belarus Free Theatre with Mr Jude Law and Kevin Spacey, the two actors. It was a marvellous moment, except that our police—acting under orders; I do not blame them—kept out the men who had been booted out of Belarus by dictatorial policemen. They were not even allowed into our House of Commons in time, so we need to set in some context the importance of access to this Parliament for MPs and for citizens who want to exercise their parliamentary, political and constitutional right to talk to their MPs.

Dr Huppert: I am concerned about what the right hon. Gentleman has just said. Will he clarify whether the problem was that the police would not allow those people into Parliament, or that they did not get in in time because of inefficiencies in the queuing process?

Mr MacShane: My point is that we have now instituted such draconian security systems as a result of the invasion of this House—I do not think the hon. Gentleman was here at the time—and the attack from the Gallery that things have become all but impossible, and the police famously do not have the flexibility to allow certain people to come through ahead of ordinary—

Mr Deputy Speaker (Mr Nigel Evans): Order. I know that the right hon. Gentleman is in full flow, but he will see that we have before us amendment 162 and a lot of other amendments. There is a lot of meat here, and he is on another meal. I ask him to restrict himself to the amendments.

Mr MacShane: Having enjoyed many happy meals with you in Strasbourg, Mr Deputy Speaker, I always thought we were sharing the same plate.

I will not enter into the question of reading out the names of those who have fallen in war, on which my hon. Friend the Member for Newport West (Paul Flynn) animadverted at great length, and the curious proposition that if one person falls his name should be mentioned, but if 20 or 100 fall there are too many names to read out.

We return, then, to a very important point—the centrality of Parliament and all democratic institutions to which all people should have easy and free access. In several democracies, there is, for good reason, the notion of the parliamentary mile, which means that for approximately 1 mile—a given space—around a Parliament, there should be no protests or demonstrations, and lawmakers should be able to go into their Parliament without being shouted at, as we were here for a number of years by the Iraq war protester with the very loud loudspeaker. We should certainly be able to confront citizens who are protesting or on their way to attend their protests in Trafalgar square, Speakers' Corner in

[Mr MacShane]

Hyde park, or wherever. One only has to walk up Whitehall to see a demonstration outside the Prime Minister's house every day, but a Parliament is not a pressure cooker; it is a place for deliberation.

I recall being outside the White House a few years ago when there was a protest about President Clinton's policy on Haitian refugees, and Arthur Ashe, the tennis player, was arrested and taken away. Those protestors were very brave. They went there, they knew they were going to be arrested, and they were making a profound point. However, American law says that when the President is in the White House—or when Congress is sitting—people cannot organise demonstrations directly under his nose.

That is a very important principle that dates back to the 19th century—

Mr Mark Field *rose*—

Jeremy Corbyn *rose*—

John McDonnell *rose*—

Dr Huppert *rose*—

Mr MacShane: Let me just finish my sentence, and then of course I will give way.

This is a very important principle going back to earlier times when there were huge pressures on parliamentarians. For example, fascists in France tried to stop the French National Assembly meeting in the 1930s. That is why the same rules apply here. I am not saying that any one individual is going to stop any of us, but it is reasonable to say that around Parliament we do not have people permanently demonstrating, and when Parliament is sitting we do not have people permanently trying to break into it.

Mr Mark Field: But surely the right hon. Gentleman recognises that this flies in the face of many of the great traditions of democracy that we have in this country. Nothing could be worse, in the current environment, than having the political class divorced ever more from the public at large.

Mr MacShane: I took part in Saturday's demonstration, and that showed that the political class, at least those in it who care for public services, is not divorced—although part of it is, given that the Home Secretary said last week that the only march she had been on was to protect foxes, not to protect libraries and disabled people from cuts.

Our forefathers won the right to vote in the great demonstrations of the 1880s by shaking down the railings of Hyde park. Since my school and student days, I have marched, and marched again, in London, but I have not demanded to come and stay here permanently or to scream abuse at MPs coming into the House. I am happy to go up to Downing street to join protests that I associate myself with. That is right, fit and proper. This is not about the political class. Frankly, we have allowed a general degrading and devaluation of the role of MPs. The hon. Member for Cities of London and Westminster (Mr Field) is not disconnected. No hon. Member is disconnected: we go back to our constituencies and talk

to far more people than any journalist, pontificator or other professional. I still say that we should protect the notion that Parliament is a special place and not just another venue for whatever protest people feel passionate about.

John McDonnell: It is important to put it on the record that no evidence has been presented and no representations have been put forward that allege that the encampment opposite Parliament has prevented Members of Parliament from entering the House. All the evidence that has been brought before us shows that there is sufficient legislation to ensure that legal action will be taken against anybody who does impede an MP. I am sure that my right hon. Friend is not trying to allege that that has happened.

4.30 pm

Mr MacShane: I will take the intervention from my hon. Friend the Member for Islington North (Jeremy Corbyn).

Jeremy Corbyn: My right hon. Friend seems to be drawing a distinction between demonstrations outside Parliament and elsewhere. Does he recall that a number of MPs, including me, were arrested outside South Africa house in 1984? The police decided to prosecute us, bizarrely, for behaviour that was offensive to a foreign mission, to which we happily pleaded guilty, given that the protest was against the apartheid regime in South Africa. The court found us innocent on the basis that we had a moral right to protest. As a result, there was a permanent picket outside South Africa house, despite many objections by the then South African embassy. That played its small part in ending apartheid. Surely my right hon. Friend recognises that the right to permanent protest is enshrined in judicial precedent in this country.

Mr MacShane: Yes; if one goes to the Chinese embassy in Portland place, the Falun Gong are always there. I am not talking about the other streets of London, and I am not talking about Downing street; I am talking exclusively about the law-making building of our nation, which requires slightly different consideration. I do not see that as the political class dividing itself from the population. I want more protest. However, that is different from saying that one particular issue can stay there for ever. One could be flippant and say that we could have a rota of issues. There could be a right-wing protest, when the fascists, the British National party and the UK Independence party can all come and make their little points.

I think that we are conspiring—perhaps that is an exaggerated word—to devalue the centrality of democratically elected legislatures when we allow protest and noise. Of course it is not preventing anybody from getting in, although hon. Members were prevented from coming in by the foxhunting protest.

Dr Huppert *rose*—

Mr Mark Field *rose*—

Mr MacShane: I will give way briefly to the hon. Members for Cambridge (Dr Huppert) and for Cities of London and Westminster, and then I must finish.

Dr Huppert: I am having trouble following the logic of the right hon. Gentleman's argument. He is right to say that this is a place of deliberation, and I think we all share the belief that there should not be protests inside this Chamber, other than those made by Members of Parliament. However, we are not talking about that, we are not talking about protests in the Members' Lobby or Central Lobby, and we are not even talking about allowing protests within the precincts of the Palace. We are talking only about protests outside the Palace of Westminster. That is outside of where the deliberation is happening. I would love him to explain why he thinks it is all right to protest outside Downing street, but not outside the Palace.

Mr Field: Does the right hon. Gentleman not accept the fear that many of us in this Chamber feel, that once we go down the path of saying that Parliament—

Mr Deputy Speaker (Mr Nigel Evans): Order. Being an apprentice Deputy Speaker, I should have reminded the right hon. Gentleman the first time he failed to do so that he must respond to the intervention that he has taken.

Mr MacShane: I am so sorry. I was just trying to put the interventions together to save time—your time, Mr Deputy Speaker.

I shall try to explain my point to the hon. Member for Cambridge. It is a concept common in many countries, and Britain can exclude itself from it, that the legislators of the democracy should be able to come to the area around the legislature—not around the Executive, not outside Downing street, not in the great centres where people gather such as Trafalgar square or Hyde park, and not anywhere else, such as outside embassies or town halls, but outside Parliament—without being told directly how or on what to vote at that moment. Anybody can come to my surgery on a Saturday or write to me to tell me how to vote. We have colluded in saying that Parliament needs to be protected from the people, which is why we have the absurd security systems that are now in place. If we do not re-establish the principle of parliamentarianism being something that requires reflection, debate and deliberation, with all of us voting in the Aye or the No Lobby to pass a law, and if we say that Parliament is simply an adjunct to a process of protest, it will weaken Parliament.

I will take the next intervention, but I will then sit down because other colleagues may want to speak.

Mr Field: I will be very brief. Does the right hon. Gentleman not recognise that many of us fear that this will be the thin end of the wedge? The moment we say that Parliament is special, people can say that every local government chamber is special, then that Downing street is special, then that all our courts are special. We have a passion and a love for living in an open, democratic society. I disagree profoundly with many of the protestors who have been in my constituency, and obviously with the violent disturbances, but peaceful protestors are the essence of the democracy that we all hold close to our heart.

Mr MacShane: I am happy to accept the sincerity of the hon. Gentleman's point of view. Arguments have been held for 200 or 300 years about whether Parliament is different from the Executive, and whether elected

representatives have something called privilege—not just privilege to speak in Parliament but privilege to come here and make up their minds on how to speak and vote as they think best.

We have been talking about an individual, and I admire his sacrifice over a number of years, but let us remember what happened not so long ago when passions were so high that the very security of this place was changed. As a result, the one, 100, 1,000 or 10,000 demonstrators who had filled Parliament square for their particular moment, expressing their right to protest directly to parliamentarians within the narrow area around Parliament, found that they had prevented many other citizens from being able to enter freely into the House of Commons to discuss matters with us calmly and peacefully.

There is a difference of opinion, and I respect everybody's point of view. I am just dismayed that compared with when I came into the House, the level of security has changed, denying people access to MPs, as a result of protests that have gone too far and gone wrong. That has caused us some damage. I see quite good rules working in other democracies. If anybody wants to be arrested in Parliament square, or walk through it to make a protest and move on, so be it. However, the notion that there should be a permanent encampment or that Parliament square should be a place where anybody can come to protest at any time goes just a bit too far.

Michael Ellis: I respect the views of the hon. Member for Hayes and Harlington (John McDonnell). I do not agree with them, but I respect them and the way in which he expressed them. However, I strongly support the provisions in the Bill.

I respect the right to protest, but a number of speakers in the debate have conflated or confused the issue of protest with that of the encampment outside. This is not a personality-driven debate, or it should not be, and one should not sentimentalise the issues involved. I wish to focus, I hope succinctly, on the rights and views of people other than the handful of individuals who have been camped outside for a prolonged period.

People have the right of quiet enjoyment of Parliament square and the facilities therein. I remind hon. Members that the statues have been put up over many years by public subscription. The public have a right to enjoy them, but for at least the past six months there have been fences around them. The taxpayers—not only the residents of the cities of Westminster and London, but people who come from far and wide to Parliament square and Parliament—have the right to use the park, and perhaps have a lunch sandwich.

Some consideration ought also to be given to the servants and agents of this place, and to the police who help to guard it and have to stand in very close proximity to the protest all day for month after month.

John McDonnell rose—

Michael Ellis: I am sorry, I cannot give way, because I have been told that I have only two minutes.

The reality is that the encampment is not a traditional form of protest, as it has been described. In my respectful submission, the problem does not have much to do with

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aesthetics, either. I, for one, am not really interested in what the protest looks like. I am interested in the rights of others to use the square without their quiet enjoyment being obstructed. The nuisance factor also has to be taken into consideration.

The question of sleeping impedimenta is one of fact and degree. We frequently ask police constables to exercise their discretion in many areas of law, some of which are difficult to define, which is part of the reason why we must give them discretion. The term "reasonable" cannot be easily susceptible to definition, because what is "reasonable" will vary depending on the individual circumstances of the event.

We in this country pride ourselves on protest and I certainly support the right to protest, but there must be some balance. Nowhere else in the world would put up with that type of protest over such a prolonged period. That does not mean that other countries are undemocratic for not putting up with 10 years of an encampment—of course they are democratic. They proudly maintain their democracy, and so would we, but we must balance the right of the handful of people who wish to live in Parliament square to the disadvantage of others, and bear in mind the rights of the latter.

Hon. Members have asked, "What harm is being done by the protest?" Criminal damage is one example of harm. Anything that causes action to be taken by another amounts to criminal damage if it means undertaking repair work. Nuisance, noise, hygiene and health and safety issues, and the loss and effect on tourism, also indicate harm. Such persistent protests do harm. We seek not to stop demonstrations, but just to stop people permanently encamping and sleeping in the square, and disguising that as a right to protest.

Vernon Conker (Gedling) (Lab): I shall be very brief and make only a couple of comments, because the Minister will need a few minutes to speak, and my hon. Friend the Member for Hayes and Harlington (John McDonnell) will no doubt wish to respond to the debate for a couple of minutes before 5 o'clock. This has been a good debate; we also had one in Committee, when hon. Members on both sides raised many of the issues that we have debated this afternoon.

The Opposition support the Government in the repeal of the Serious Organised Crime and Police Act 2005 provisions. On both sides of the House, there is a general recognition that despite the intention, those provisions went much further than any of us would have wanted. For example, a woman was arrested for reading out the names of the war dead. Many of us—perhaps all of us—thought that inappropriate.

The Opposition agree with the repeal of the SOCPA provisions, but our position has always been that there is a need to balance the right to protest with the right of others to enjoy Parliament, and to protect their freedom, as the hon. Member for Cities of London and Westminster (Mr Field) said. We want to balance freedoms and to protect the right to protest.

In Committee, we concentrated on the workability of the Bill. I say to the Minister that considerable problems remain. I pay tribute to my hon. Friend the Member for Hayes and Harlington and my hon. Friends. He has

carefully drafted, obviously with some help, a set of alternatives. I do not agree with his alternative, but he has also sought to address some of the problems that the Government seek to address.

I am surprised that the Minister has tabled only two Government amendments—57 and 58—to deal with one of the major problems with the Bill, namely that reasonable force can be used not only by a constable, but by an authorised officer of the council. In the Opposition's view, the amendments simply do not go far enough. If my hon. Friend the Member for Hayes and Harlington were minded to press amendment 185 to a Division, he would find support on the Opposition Front Bench.

Why do the Government amendments not go far enough? The Bill still allows an authorised officer to do all sorts of things with respect to activities in the prohibited area of Parliament square. The hon. Member for Cambridge (Dr Huppert) pointed out that even with the Government amendment, the Bill still gives the authorised officer—the council employee—significant powers to seize and retain property in the area described in clause 144(1). That is an extension of the power that one would expect authorised officers to have in any circumstances. This is the policing of public protest—not littering, loud music or neighbour nuisance—and the involvement of anybody other than a warranted police officer would be a dangerous extension of power to people who are not servants of the Crown.

4.45 pm

The devil will be in the detail. There is still not an adequate definition—the hon. Member for Northampton North (Michael Ellis) and I debated this in Committee—of "sleeping equipment". Lawyers will have a field day. The hon. Gentleman is right that we would expect an officer to act reasonably and so on, but there will be endless litigation over what reasonableness means in the Bill. What does "sleeping equipment" mean? Sleeping out? Sleeping on concrete? Is the concrete "sleeping equipment"? That is the sort of debate that we have started to get into. What would be the consequences of displacing this sort of activity? My hon. Friend the Member for Hayes and Harlington made this point. The hon. Member for Cities of London and Westminster will find that if we deal with the protest outside, it will simply move across the road or down the road, and similar problems will persist. In repealing the legislation—we support the repeal of SOCPA—the Government need to be extremely careful that they do not find themselves in exactly the same situation as the previous Government: with unworkable legislation that simply results in many court actions as people seek to exercise their right to protest.

James Brokenshire: This useful debate has given the House the opportunity to discuss an important issue. We made it clear when we introduced our proposals that it was right and proper that the House should have a proper say on the Bill's provisions relating to Parliament square, and I believe that the House has had that say this afternoon.

There are clearly issues of agreement on both sides of the House. The right to protest is a cherished and important right that the Government seek to uphold, and it is a positive step forward if the Opposition

Front-Bench team accept that fact and accept that the draconian approach that in many ways had become their hallmark was a wrong turn. I certainly welcome therefore the comments from the hon. Member for Gedling (Vernon Coaker) about scrapping SOCPA, which had a very chilling effect on the right to protest. That is why one of the fundamental effects of the Bill will be to scrap those provisions and to return to treating Parliament square the same, in many ways, as the rest of the country.

The question before us relates to the extent of the right to protest. I think that it has been accepted that it is not an exhaustive right or something that we can do to the nth degree, and that there are limits to the right to protest. In her evidence to the Bill Committee, Shami Chakrabati made that point very clearly. We are discussing the limits to and the extent of that right. We have to take a step back and say, "We have that right to protest, but what is the issue at hand?" The issue at hand is that the right to protest does not mean the right to permanent encampment. That is at the heart of what we are seeking to address and why the provisions in the Bill are structured in the way they are.

I hear those who say that it does not make any difference, that it is not a problem and that we should not be seeking to introduce changes in respect of Parliament square and the surrounding area that contrast with the rest of the country. However, I would make the point that the square has been fenced off for six months to allow remedial and repair work, and has therefore been unavailable, which has clearly affected not just people's access to it, but the right to protest there. That is why it is important that we examine the issue, and why the proposals in the Bill reflect that approach.

Bob Stewart (Beckenham) (Con): Is it not true that the vast majority of the public would think that any encampment outside Parliament should go? I have heard a lot of speeches this afternoon about why it should stay, but the vast majority of our public would say, "Get rid of it. It shouldn't be there."

James Brokenshire: The act of protest does not by default give individuals the right to erect permanent encampments in Parliament square or on the pavements outside it. That is the essence of what we are proposing. We want to protect the right to protest, but that does not mean that we endorse the permanent encampment that has arisen and that, in essence, has deprived others of access to that space.

I heard the points that the hon. Member for Gedling made about practicability and workability—in some ways he summarised the reasonable discussions and detailed debate that we had in Committee. However, we have had discussions with the Metropolitan police—he will be aware of the exchange of correspondence—and I have spoken to Assistant Commissioner Lynne Owens in recent days, in advance of this afternoon's debate. One of the challenges has been about differences of ownership, between the Greater London authority and Westminster city council, and ensuring that the proper protocols are agreed. However, with those protocols in place, our strong belief is that our proposals are workable; otherwise we would not be bringing them before the House.

I hear the debate about the language and the drafting. The Government recognise that any new law will be robustly tested by determined individuals—indeed, that would be the case for any proposals. We have therefore sought to capture attempts to circumvent the legislation that have been raised with us by the police. However, that necessarily carries the potential of capturing others, which is why we have allowed some discretion, as it is important that the provisions should be used proportionately.

Let me turn to the amendments tabled by the hon. Member for Hayes and Harlington (John McDonnell). I suppose that the debate comes down to the context and this issue of a permanent encampment, which we think is so significant. As we have heard, Parliament square is a world heritage site, surrounded by important historic buildings such as Westminster abbey. Given its location opposite the Houses of Parliament and the limited space, we are seeking to balance the competing and legitimate needs of members of the public who come to the area as visitors or protesters, with those of Members of Parliament and others who need to be able to carry out their daily work and enjoy the space.

The Government are clear that no one particular person or group of persons should take over the area to the detriment of others. Encampments remaining on Parliament square in defiance of the byelaws have caused significant damage to the garden and the space, which has underlined the unworkability of the Serious Organised Crime and Police Act thus far. The encampments have required considerable remedial work by the Greater London authority, during which time nobody has been able to enjoy the unique space. In relation to the democracy village occupation, the courts found that Parliament square gardens were not a suitable area for any sort of encampment. More recently, the High Court has said:

"Parliament Square Gardens is not a suitable location for prolonged camping; such camping is incompatible with the function, lawful use and character"

of Parliament square gardens, and

"it is also inconsistent with the proper management of the area as a whole".

The Government and, I think, most Members of this House and the other place would agree with the court's findings.

Encampments prevent the public's enjoyment of this unique location and deter people from visiting the area. They even deter and prevent others from protesting, although I have heard the points that have been made in that regard. Let me stress again that we are not seeking to prevent people from protesting on or around Parliament square. We are not seeking to put time limits on protests or to regulate them in that way.

The package of measures in part 3 is aimed at preventing encampments, at dealing with disruptive activity by anyone on Parliament square and at giving the police and authorised officers of the Greater London authority and Westminster city council powers to ensure that Parliament square can be enjoyed by all. So, for example, anyone who pitches a tent in the controlled area defined in the Bill may be directed to take it down. If they fail to comply with the direction, the tent may be seized and they may be charged with an offence.

I welcome the constructive debate that we had in Committee, during which Opposition Members recognised the problem with the current SOCPA provisions and

[James Brokenshire]

acknowledged the need for new measures. We have heard this afternoon, however, that some of them do not agree with our proposals and continue to have issues. We have introduced a co-ordinated package of provisions that will link into byelaws to ensure that the issues of displacement that have been identified are addressed.

We have listened and reflected on what has been said, which is why the Government have tabled amendments 57 and 58, which deal with authorised officers using powers of force. We continue to believe that the right of authorised officers properly to manage and support the activities in Parliament square, and people's enjoyment of the square, requires them to have the ability to give directions and to seize items, but not to use reasonable force, because that is the role of the police. That is why we have tabled amendments 57 and 58. They reflect the point that has been highlighted by my hon. Friend the Member for Cambridge (Dr Huppert) and others inside and outside the House. We believe that the package in the Bill strikes a proportionate balance.

We will continue our discussions with the police, with Westminster city council and with the Greater London authority on the management of Parliament square, and on any moves that might result in more co-ordinated ownership and management of the site. Fundamentally, we believe in the right to protest, but that right does not mean permanent encampments. The measures before the House are proportionate and appropriate, because they will enable those who want to protest to have their say outside the House while ensuring that that does not result in the permanent despoiling of Parliament square.

John McDonnell: I wish to press amendments 162 and 185 to a vote. The debate has been helpful in that it has reassured me that we support the right to protest. I look forward to Members joining me in protests in the coming months. There is a disagreement over the difference between protest and permanent protest. There is a tradition of effective permanent protest in this country, and that is the tradition that we are seeking to support.

There is a basic human right, enacted in legislation in this Parliament, to assembly, association and speech. Members must have due cause if they want to tamper with that right in any way. If there is an argument that the encampment causes noise, nuisance or any form of obstruction, legislation already exists to deal with that. Indeed, the Minister has just demonstrated that the court is now dealing with the matter in relation to the grassed area. There is therefore no need for the House to waste its time in introducing specific legislation for a small encampment of principled people who are reminding us of the consequences of our actions in this House.

Let me advise Members and warn that we will come back again on this issue. What we are doing here is counter-productive: it will cause further conflict; it will put police officers in an impossible position and council officers in an even worse position. The encampment will move elsewhere and the Government will then have to come back to the matter, as the last Government tried to do with their Civil Contingencies Bill to ban protest elsewhere and outside other public buildings. I believe that this is an error.

I wish the coalition parties had adhered to their promise before the election to—

5 pm

Debate interrupted (Programme Order, 30 March).

The Speaker put forthwith the Question already proposed from the Chair (Standing Order 83E), That the amendment be made.

The House divided: Ayes 8, Noes 280.

Division No. 247]**[5 pm]****AYES**

Campbell, Mr Ronnie
Hopkins, Kelvin
Jackson, Glenda
Llwyd, rh Mr Elyfn
McDonnell, John
Skinner, Mr Dennis

Williams, Hywel
Wood, Mike

Tellers for the Ayes:

Paul Lynn and
Jeremy Corbyn

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Bacon, Mr Richard
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Beresford, Sir Paul
Berry, Jake
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blunkett, rh David
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Cox, Mr Geoffrey

Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C.
(Monmouth)
Davies, Glyn
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Drax, Richard
Duddridge, James
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Evennett, Mr David
Fabricant, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Damian
Greening, Justine
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon

Harvey, Nick
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lloyd, Stephen
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
May, rh Mrs Theresa
McCartney, Jason
McCartney, Karl
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James

Mosley, Stephen
Mowat, David
Munt, Tessa
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ottaway, Richard
Parish, Neil
Patel, Priti
Pawsey, Mark
Penrose, John
Percy, Andrew
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward

Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wheeler, Heather
White, Chris

Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willets, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Norman Lamb and
Mr Robert Goodwill

Question accordingly negated.

The Speaker then put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Clause 142

PROHIBITED ACTIVITIES IN CONTROLLED AREA OF PARLIAMENT SQUARE

Amendment proposed: 185, in page 95, line 8, leave out 'or authorised officer'.—(John McDonnell.)

The House divided: Ayes 158, Noes 276.

Division No. 248]

[5.13 pm

AYES

Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blenkinsop, Tom
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Gordon
Brown, rh Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Coaker, Vernon
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy

Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Doyle, Gemma
Eagle, Ms Angela
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Farrelly, Paul
Fitzpatrick, Jim
Fiello, Robert
Flynn, Paul
Fovargue, Yvonne
Gapes, Mike
Gilmore, Sheila
Glendon, Mrs Mary
Goodman, Helen
Green, Kate
Greenwood, Lilian
Gwynne, Andrew
Hain, rh Mr Peter

Hanson, rh Mr David
Harman, rh Ms Harriet
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodgson, Mrs Sharon
Hopkins, Kelvin
Howarth, rh Mr George
Jackson, Glenda
Jarvis, Dan
Johnson, Diana
Jones, Helen
Jones, Mr Kevan
Joyce, Eric
Kaufman, rh Sir Gerald
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Llwyd, rh Mr Elyn
Love, Mr Andrew
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
Meale, Mr Alan
Mearns, Ian
Miliband, rh David
Miller, Andrew
Morrice, Graeme (*Livingston*)
Morris, Grahame M.
(*Easington*)
Munn, Meg
Murray, Ian
Nandy, Lisa

Onwurah, Chi
Osborne, Sandra
Pearce, Teresa
Phillipson, Bridget
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reynolds, Emma
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Twigg, Derek
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Angela Smith and
Mr David Hamilton

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Bacon, Mr Richard
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Beresford, Sir Paul
Berry, Jake
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter

Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies

Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C.
(*Monmouth*)
Davies, Glyn
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Drax, Richard
Duddridge, James
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Evennett, Mr David
Fabricant, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Damian
Greening, Justine
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip

Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lloyd, Stephen
Lord, Jonathan
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
May, rh Mrs Theresa
McCartney, Jason
McCartney, Karl
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Munt, Tessa
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew

Ottaway, Richard
Parish, Neil
Patel, Priti
Pawsey, Mark
Penrose, John
Percy, Andrew
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stride, Mel

Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willets, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mr Robert Goodwill and
Norman Lamb

Question accordingly negatived.

Clause 144

POWER TO SEIZE PROPERTY

Amendments made: 57, page 97, line 6, leave out 'The constable or authorised officer' and insert 'A constable'.

Amendment 58, page 97, line 7, leave out from 'under' to end of line 8 and insert 'this section'.—(*James Brokenshire.*)

Schedule 17

TEMPORARY CLASS DRUG ORDERS

Amendments made: 53, page 215, line 26, after first 'that', insert '—

- (a) the Secretary of State has consulted in accordance with section 2B and has determined that the order should be made, or

- (b) the Secretary of State has received a recommendation under that section that the order should be made.

'(3A) The Secretary of State may make the determination mentioned in subsection (3)(a) only if'.

Amendment 54, page 216, line 6, at end insert—

'(6A) The power of the Secretary of State to make an order under this section is subject to section 2B.'

Amendment 55, page 216, line 10, at end insert—

'2B Orders under section 2A: role of Advisory Council etc

(1) Before making an order under section 2A the Secretary of State—

- (a) must consult as mentioned in subsection (2), or
(b) must have received a recommendation from the Advisory Council to make the order.

(2) The Secretary of State must consult—

- (a) the Advisory Council, or
(b) if the order is to be made under section 2A(1) and the urgency condition applies, the person mentioned in subsection (3).

(3) The person referred to in subsection (2)(b) is—

- (a) the person who is for the time being the chairman of the Advisory Council appointed under paragraph 1(3) of Schedule 1, or
(b) if that person has delegated the function of responding to consultation under subsection (1)(a) to another member of the Advisory Council, that other member.

(4) The "urgency condition" applies if it appears to the Secretary of State that the misuse of the substance or product to be specified in the order as a drug subject to temporary control, or the likelihood of its misuse, poses an urgent and significant threat to public safety or health.

(5) The duty of the Advisory Council or any other person consulted under subsection (1)(a) is limited to giving to the Secretary of State that person's opinion as to whether the order in question should be made.

(6) A recommendation under subsection (1)(b) that a temporary class drug order should be made may be given by the Advisory Council only if it appears to the Council that—

- (a) the substance or product is a drug that is being, or is likely to be, misused, and
(b) that misuse is having, or is capable of having, harmful effects'.

Amendment 59, page 219, line 24, after '2A,' insert '2B,'.—(*James Brokenshire.*)

Title

Amendment made: 56, line 3 after 'alcohol', insert 'and for the repeal of provisions about alcohol disorder zones;'.—(*James Brokenshire.*)

Third Reading

5.24 pm

The Secretary of State for the Home Department (Mrs Theresa May): I beg to move, That the Bill be now read the Third time.

I start by thanking the hon. Members who sat on the Public Bill Committee for the scrutiny they have given this important piece of legislation. I thank in particular my ministerial colleagues, the Minister for Policing and Criminal Justice and the Under-Secretary of State for the Home Department, my hon. Friend the Member for Old Bexley and Sidcup (James Brokenshire), for their work in Committee. I also thank all hon. Members who contributed on Report, when we had further detailed debate about the impact and implications of the Bill. In

[Mrs Theresa May]

addition, I thank all the officials and Officers and staff of the House who have enabled the Committee's work to take place.

The Prime Minister recently said that we had the best police force in the world, and I agree, but that does not mean that there is no room for improvement. The Bill will help our courageous police in the fight against crime, and police and crime commissioners will reconnect the police with the public they serve. An overhaul of the licensing regime will help the police and local communities to crack down on problem drinking premises, and temporary banning powers will stop the harm from so-called legal highs. Powers to deal with permanent encampments will give Parliament square back to the British public and a fairer process for universal jurisdiction arrest warrants will allow Britain to engage properly with prominent international statesmen.

Mark Tami: Bearing in mind the reorganisation and costs involved, will the Home Secretary confirm that she will be at Monday's debate on police cuts?

Mrs May: Yes; what a strange question.

Chris Bryant (Rhondda) (Lab) *rose*—

Mrs May: I have been generous in giving way once already, but I can never resist giving way to the hon. Gentleman.

Chris Bryant: Those words will not do her any good I am afraid, but I am grateful to the Home Secretary for giving way.

I am sure we all agree that we have the best police force in the world. Has the Home Secretary come across Chief Constable Steve Finnigan of the Lancashire constabulary, who has said that

"we can do an awful lot of work around back-office, around efficiency, around bureaucracy and certainly in Lancashire, in my force, we are doing a lot of that, but we cannot leave the frontline untouched and that is because of the scale of the cuts"?

Will the Home Secretary be straight with the British people and say that there are going to be front-line cuts because of what she is bringing in?

Mrs May: Many chief constables have made the point that what is happening will not mean that there will be no change to front-line services but that they can protect front-line services. That is exactly what chief constables such as the chief constable of Greater Manchester have made clear. There might need to be reform in front-line services, but that does not mean a reduction in the front-line services available to members of the public.

Directly elected police and crime commissioners will bring real accountability to local policing. They will ensure that the police focus on what local people want and not on what the national Government think they want.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab) *rose*—

Mrs May: I see that the piece of paper has been passed to the right hon. Lady, so I will give way to her.

Yvette Cooper: I want to follow up that point with the Home Secretary. She is right, I have the full quote to which my hon. Friend the Member for Rhondda (Chris Bryant) referred, which was from the "Today" programme. Chief Constable Finnigan was asked:

"You are chief constable of Lancashire which has a bit of both"—

meaning urban and rural areas—

"are you going to have to reduce frontline policing in order to meet the budget cuts that the government wants to see?"

His answer was: "I absolutely am". Faced with that categorical statement from a chief constable, will she admit that front-line services are being hit as a result of her decisions?

Mrs May: I have to say to the right hon. Lady that her intervention and that of the hon. Member for Rhondda betray the difficulty that the Labour party has had, both in government and in opposition, with this issue of front-line services. Chief constables such as Chief Constable Steve Finnigan have said that they are determined to protect the front-line service that is provided to members of the public. There is a difference between the service that can be provided and the number of police who are there, and the trouble with Labour is that it has always focused on numbers. What we have seen recently is that there are great variations in, for example, invisibility and availability of the police who are out there on the streets being seen by members of the public. Percentages can vary from 9% of police being available and visible to the public to 17%, as in Merseyside. If that highest figure was followed by every force, then just under 8,000 more officers would be visible and available to members of the public. This is about the efficient use of resources. Police and crime commissioners, as I have said, will bring accountability to local policing.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC) *rose*—

Geraint Davies (Swansea West) (Lab/Co-op) *rose*—

Mrs May: I might be able to help the right hon. Gentleman and the hon. Gentleman in a few minutes, as I am going to make a specific comment in relation to Wales. I suspect that they are going to ask me about Wales, so it might be in their interest to wait until then before they intervene.

Penny Mordaunt: I have been through police numbers with my chief constable in Hampshire, and there is not going to be any change to police numbers in community policing and in the policing of serious crime, or in the number of police who deal with sex offenders.

Mrs May: I am grateful to my hon. Friend. That is a good example, and there are other examples of forces such as Gloucestershire, where the number of officers visible and available has been increased by the chief constable as a result of what he has been able to do in other ways to deal with his budget.

We have already given communities across England and Wales access to detailed street-level crime and antisocial behaviour data. Only two months after launching the country's first ever nationwide street-level crime maps, the website has received over 400 million hits, so

we are already giving power back to the public. The Bill takes that local accountability to the next stage. The Association of Chief Police Officers has been fully engaged in the process of refining our proposals. We have listened to its suggestions, and to those of hon. Members. We have responded and been able to accommodate some of those suggestions.

We have included provision for each chief officer to become a corporation sole, which will allow them to employ staff and will give them greater control over their own force. We have strengthened the proposed oversight arrangements by including provisions for candidates to be subject to confirmation hearings by police and crime panels, who will be able to veto an appointment with a three-quarters majority. We have amended the Bill so that anyone who has been convicted of an imprisonable offence at any time will be unable to stand as a PCC. Any PCC convicted of such an offence would automatically be disqualified from office.

We have made a commitment with ACPO, the Association of Police Authorities and the Association of Police Authority Chief Executives to develop a protocol setting out the distinct role and powers of chief officers, PCCs and other bodies in the new policing landscape. It will be my responsibility as Home Secretary to issue a strategic policing requirement for the response to national threats. These are all sensible and constructive changes that will give us a better Bill and ultimately an even better police service. I thank ACPO and hon. Members for their help with that.

I am delighted that in Committee, the Opposition conceded the principle of democratic reform in policing. Unfortunately, they are still suggesting the wrong type of reform. Only 7% of people have even heard of police authorities, and only 8% of local authority wards in England and Wales are represented on their police authority. Police authorities are not effective at doing what they are supposed to do. Fewer than one in three police authorities inspected last year were found to be performing well. They have neither the democratic mandate to set police priorities nor the capability to scrutinise police performance, so tinkering at the edges of police authorities, as the Opposition spokesmen seemed to suggest in Committee, will not do.

Geraint Davies: On democratic accountability, does the Home Secretary accept that voter turnout is likely to be much higher in low-crime, leafy suburbs than in high-crime, poorer areas, so the democratic mandate is likely to contradict directly the need to prioritise the focus on crime? What is more, people will lose access to the interface with MPs, Assembly Members, councillors and so on, so there will be less democracy, less crime prevention and more cost.

Mrs May: I completely reject what the hon. Gentleman says, particularly the idea that people who live in high-crime areas will somehow have less incentive to take an interest in the way in which their local area is policed or in going out to vote for PCCs. It is in precisely those areas that people are concerned about what is happening to local policing. We need a properly elected and accountable individual, with the mandate, the capabilities and the powers to set police priorities locally and to hold their chief constable to account for police performance.

Steve McCabe rose—

Mrs May: If the hon. Gentleman will forgive me, I am conscious of time and wish to make a little more progress.

The Opposition's scepticism about the merits of directly elected police and crime commissioners will be tested when it comes to deciding whether to field candidates for the elections next year. Indeed, according to media reports, the former Home Secretary, Jacqui Smith, intends to run as a candidate. Before moving on, I would like to make it clear that responsibility for policing and policing governance in Wales is reserved to this House. This House has determined that the provisions for police and crime commissioners should be implemented in Wales and in England. There cannot be two tiers of governance for a police service whose officers and assets so regularly cross the regional boundary between England and Wales in tackling crime.

Mr Llwyd: Will the Home Secretary give way?

Mrs May: The right hon. Gentleman may wish to intervene after I have completed my point about the vote that took place in the National Assembly for Wales. I think that it is regrettable that the Assembly did not agree to the legislative consent motion that would have allowed police and crime panels to reflect the unique nature of local government in Wales, as we wanted. That would have included giving the Welsh Assembly Government a seat on the police and crime panels in Wales.

Mr Llwyd: The reason why Assembly Members did not endorse it is quite simply because they do not believe in the idea of a directly elected police commissioner. They did not want the panels and so voted against the proposal. Unfortunately, this place decided to ride roughshod over their wishes and the wishes of democratically elected people in Wales, thus showing little of the respect agenda and acting in a hugely undemocratic way.

Mrs May: That is not correct. It is precisely because we respect the Assembly's decision that we are removing police and crime panels from local government structures in Wales. The Assembly had the opportunity to put in place a legislative consent motion that would have enabled that to take place. Such a motion was tabled by the Welsh Assembly Government, but they then chose not to support it, even though they had put it forward. As a result, the view of the Welsh Assembly was that police and crime panels should not form part of the local government structure in Wales. Instead, the PCPs will be freestanding bodies.

I want to make it clear that in taking a power to appoint those freestanding bodies I will not be telling, instructing or forcing any authority to do anything. I will invite local authorities to nominate a member to the PCP for each force area, and if an authority fails to nominate a member, I will invite members directly while having regard to the political balance within the force area. I think that the amendments will ensure that the appropriate checks and balances on police and crime commissioners can apply in all force areas in England and in Wales.

Mr Speaker: Order. I am listening carefully to the Home Secretary, who has given way generously, which is appreciated by the House, but I gently point out to

[Mr Speaker]

both Front Benches that there are some Back Benchers who would like the chance of a snippet as well if the opportunity presents itself.

Mrs May: Thank you, Mr Speaker.

We have also taken the opportunity in the Bill, as Members can see, to make improvements to the police complaints system. There are of course other important aspects to the Bill, notably those relating to licensing. I think that Labour's disastrous Licensing Act 2003 made the problem of binge drinking in this country worse, not better. Far from giving us the continental café culture that we were promised at the time, the Act did nothing to help police and local communities in their ongoing fight against alcohol-fuelled crime and disorder. That is why the Bill will help to turn the tide by ensuring that all those affected by licensed premises have a chance to have a say in the licensing process, allowing early morning restriction orders and the late-night levy on licensed premises opening after midnight to help pay for late-night policing and other services, such as taxi marshals or street wardens.

We have brought forward an amendment to introduce locally set licensing fees so that the fees can achieve what they were intended to, which is to recover fully the costs of licensing authorities in discharging their duties. I think that local government will feel that this is long overdue. We have also repealed the previous Administration's legislation on alcohol disorder zones, and there was overwhelming support in our consultation for doing that. Those measures, together with a number of others, show that we are committed to stopping the harm caused by alcohol abuse.

As well as measures to tackle alcohol abuse, we will be providing powers to crack down on the damage caused by so-called legal highs. The Bill introduces the power to make year-long temporary class drug orders, which will allow us to take swift action to ban temporarily substances that have been specifically developed to get around existing drugs legislation but that can still cause significant harm.

I hope that the whole House will agree that for too long Parliament square has been subjected to unacceptable disruption and damage from the long-term encampment.

John McDonnell: No.

Mrs May: No, the whole House does not agree, and I should have pointed out that the hon. Gentleman made his views very clear in our previous debate and through the amendments that he spoke to.

The Bill contains, I think, a tough but proportionate package of measures to deal with encampments and other disruptive activity, and we have responded to Members' concerns about the powers for authorised officers.

The Bill also makes sensible changes to the procedures for obtaining an arrest warrant for universal jurisdiction offences. We have heard the objections from a small number of hon. Members on the matter, but the Government continue to believe that the requirement to

seek the agreement of the Director of Public Prosecutions that a case has a realistic chance of success is a fair and proportionate measure.

The Bill is a balanced package of measures to tackle real problems in our society. It includes directly elected police and crime commissioners, to give people back power over policing locally and to help to cut crime; tougher rules on licensing and drugs to help stop the harm that alcohol-fuelled disorder and legal highs can cause; and appropriate powers to restore the right to peaceful protest outside the mother of Parliaments, while removing the long-term encampments that cause so much damage, disruption and distress. We have had very good scrutiny of, and good debates about, the Bill. I believe that it is a very good Bill, and I commend it to the House.

5.40 pm

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): After 50 hours of debate and evidence, the Commons stage of the Police Reform and Social Responsibility Bill has come to a close. The Members from all parts who endured the Committee stage will doubtless be delighted that in 19 minutes they will be released from custody. The Policing and Criminal Justice Minister will, I am sure, be relieved to have reached the end of this round of interrogation and hope to be released without charge, with his DNA destroyed and his fingerprints wiped.

I thank all Opposition Members for their work, but I pay particular tribute to my hon. Friend the Member for Gedling (Vernon Coaker), aka Station Sergeant Coaker, who has ably led our investigative team, and of course to my hon. Friend the Member for Alyn and Deeside (Mark Tami), Custody Sergeant Tami, who has granted but few bail applications and always on the toughest terms.

Members have had the pleasure of debating the details of pub drinking, the definitions of a duvet and whether a toothbrush counts as sleeping equipment, and during the passage of the Bill we have welcomed some of the Government's measures to which the Home Secretary referred, such as those on supporting local government, on licensing and on universal jurisdiction.

Other measures still have us baffled, however. The last time the Home Secretary spoke in the House on legislation she told us that the Government offered

"a chance to roll back the creeping intrusion of the state into our everyday lives, and to return individual freedoms to the heart of our legislation."—[*Official Report*, 1 March 2011; Vol. 524, c. 205.]

Today, she has defended a Bill that lets councils leap to the barricades when their byelaws are breached. She will support them in confiscating dogs that foul verges, guitars that are played near churches and even shoes that leave mud on the pavements. More importantly, she has supported a Bill that puts at risk centuries of independent policing, free from political interference, and concentrates considerable policing powers in the hands of one individual with hardly any checks and balances. That is hardly a defence of traditional British liberties.

Mrs May: I hesitate to interrupt what started as a comic turn by the right hon. Lady, but she knows full well that throughout the debate on the Bill we have been

at great pains to ensure that there is operational independence for chief officers and for forces. We will defend that operational independence. The police and crime commissioners do not have policing powers; they have powers to ensure that the police are accountable, and respond to local people.

Yvette Cooper: That is what the right hon. Lady says, but where is the protocol? Time and again we have been told that there will be some sort of code of practice or some kind of protocol to reassure people that there will be operational independence, but where is it? We have not yet seen it, and the House is being asked to let the Bill go through without being given the opportunity to vote on such a protocol or agreement when it is reached. A draft has been given to the Association of Chief Police Officers, yet this week ACPO still raised some serious concerns about the way in which impartial policing will be protected, and that leaves us with considerable suspicions that she is not yet close to reaching an agreement with ACPO about how the operational protocol will perform. I have to say to the Home Secretary that asking the House to give consent to this Bill without providing crucial reassurances about the operational independence of our police is frankly irresponsible in the light of the traditional and historic British liberties that she has previously been so keen to defend.

During these 50 hours of debate, the Bill has not changed in its fundamentals. This period follows one in which crime fell by over 40%, public confidence in policing went up, and substantial improvements were made in the fight against crime. Yet instead of building on those improvements made under the Labour Government, this Government instead want to launch a massive experiment in governance alongside the steepest cuts in many generations.

The Government are putting considerable policing powers in the hands of individual politicians without any of the serious safeguards or checks and balances that are needed. We do not support the approach of elected police commissioners. During the passage of the Bill, we have tried to suggest ways of limiting the damage and providing additional checks and balances, yet each time they have been rejected. People want responsive and accountable policing, but they also want impartial policing that is accountable to the rule of law—a tradition secured in Britain since Peel. The Government face a grave challenge from the most senior police officers in the country, who have argued this week that that tradition is being put at risk by the Bill. ACPO said that

"the developing framework of safeguards is too undeveloped and uncertain, and in several respects too weak, to be confident that it will effectively ensure that this Peelian principle will not be compromised."

That is a very serious charge.

We still wait for the protocol and for other explanations of how this will work. This is about the impartiality of our police force and the public perception of that impartiality. For the first time, policing powers will be concentrated in the hands of individual politicians, with hardly any checks and balances on what they do. The Home Secretary at least has to answer to Parliament. She has to persuade her Cabinet colleagues. She can be scrutinised, she can be challenged, and she can even be

sacked if she makes a real mess of it—which I am sure, of course, that she will not—but a police and crime commissioner is there for four years, with just a toothless watchdog to keep guard in between.

Mrs May: The right hon. Lady is continuing to use the term "policing powers" in relation to the responsibilities of the police and crime commissioners. That is inaccurate and wrong. These individuals will not be "policing"—they will be elected to hold the chief constable to account to ensure that the local voice is heard and that what local people want in policing is being undertaken. There will be checks and balances through the police and crime panels. She talks about politicians having a relationship with the chief constable in relation to operational independence. Politicians already have a relationship with the chief constable through the police authority.

Yvette Cooper: Unfortunately, none of those reassurances has been enough to convince the most senior chief constables in the land that their operational independence will be safeguarded. That is the primary issue that this House should be worried about. We do not think that the Home Secretary has done enough to, for example, provide enough powers for the police and crime panels to allow them a stronger role as checks and balances in the system. Time and again, she has not provided enough safeguards for national policing. She will know that some experts have raised concerns about corruption, too. Of course, the public do not want this either. A YouGov poll commissioned for Liberty found that 65% of people preferred to have a chief constable reporting to a police authority, compared with 15% who wanted her reforms.

Then, of course, there is the cost: £100 million to be spent on elections and bureaucracy at a time when 2,000 of the most experienced officers are being forced into early retirement. If she ditched the police and crime commissioners and put that money back into policing, she could save almost a third of those jobs.

The Minister for Policing and Criminal Justice (Nick Herbert) rose—

Yvette Cooper: I will give way if the right hon. Gentleman will tell us what he would do to safeguard the jobs of the 2,000 experienced police officers whom he is pushing off the front line as a result of his cuts.

Nick Herbert: The right hon. Lady challenged us on cost. Can she tell us how much her proposal for directly elected police authority chairs would cost, and is she aware that it would cost considerably more than our proposal?

Yvette Cooper: My proposal is to ditch all of it, and that would save £100 million. *[Interruption.]* I am afraid that it is. We have offered Government Members several ways to limit the damage of their proposals if they want to protect British freedoms. If they really want to do something sensible, they should save £100 million by ditching it altogether. That is what we will be voting for this evening.

Most importantly, this drastic re-engineering at the top of policing—this massive experiment in governance—comes in the middle of the deepest cuts that police

[Yvette Cooper]

forces have had to face for many generations; at a time when 12,500 officers and 15,000 police staff will go; at a time when a report by Her Majesty's inspectorate of constabulary shows that 95% of police officers are not in back-office work; and at a time when front-line services across the country are being hit. If the Home Secretary and the Minister for Policing and Criminal Justice continue to deny that front-line services are being hit, they will just show how out of touch they are, not just with the police but with communities across the country who can already see changes happening in their areas and know exactly who is to blame. We know that neighbourhood police officers who want to stay in their jobs are being cut, and that steep cuts are being made in probation, youth services and action to prevent crime.

We know why the Home Secretary really wants police and crime commissioners: so she has someone else to blame when it all goes badly wrong. These policies were not the Home Secretary's idea. It was not her idea to cut 20% from the police—it was the Chancellor's, but she did not fight to stop it. It was not her idea to bring in police and crime commissioners—it was the Prime Minister's, but she did not stand up against it. It was not her proposal to cut DNA use and limit the power of the police—it was the Deputy Prime Minister's, but she did not prevent it. She is ducking the big battles and is not standing up for people across the country, who need a Home Secretary who will defend their views. She is the Home Secretary, and in the end she carries the can. On Second Reading, she claimed that that crime would be cut as a result of these reforms. The truth is that she is starting to fear that the opposite is happening, and she needs someone to blame.

The clouds are gathering over the Government's crime and policing plans, and we have raised the warning. We will vote against these plans today, just as we will vote against the police cuts next week. Ministers are creating a perfect storm; at some point it will blow, and it will be communities across the country who pay the price.

Several hon. Members rose—

Mr Speaker: Order. A number of Members still wish to contribute and time is extremely limited. I appeal to the next Member who speaks to show consideration for others who wish to contribute.

5.52 pm

Mark Reckless (Rochester and Strood) (Con): As the only Member of this House who is a member of a police authority, I congratulate Ministers on this Bill and welcome it. The Home Secretary made it clear on Monday that she wanted elected commissioners "in charge". She said just now that commissioners will make sure that what local people want to happen in policing will happen. That is to be welcomed.

Unfortunately, Opposition Members are on the wrong side of this debate. The shadow Minister, the hon. Member for Gedling (Vernon Coaker), said that

"ACPO is clearly telling the Minister that he needs to amend the Bill"—[*Official Report*, 30 March 2011; Vol. 526, c. 404.]

Apparently, the Association of Chief Police Officers thinks that

"the Bill places too much emphasis on local considerations giving disproportionate power to the"

elected commissioner. But it is this House that decides, not ACPO. The Minister for Policing and Criminal Justice has said that we have to rebalance the tripartite system and put greater emphasis on the local and democratic element because too much power has gone to the centre. He was too diplomatic to say it, but ACPO has taken that power as much as the Home Office, and it needs to be rebalanced.

We will attempt to reach agreement on this protocol, and Ministers are no doubt working hard on that. We believe, of course, that in individual investigations and arrests there has to be complete independence for the police, and that politicians should have no influence in that. However, in wider issues such as policing policy, the budget and the priorities, it is surely right that there should be democratic control and oversight.

Steve Baker (Wymondley) (Con): I welcome my hon. Friend's remarks, and associate myself with them. I also welcome the way that he set out the law on operational independence yesterday. Does he agree that it is vital that senior police officers and Opposition Members accept the legitimacy of elected representatives ensuring that the public get the policing that they deserve?

Mark Reckless: Of course I accept that, and I thank my hon. Friend for his comments.

In the short time available, I want to make one point about an aspect of the Bill that I disagree with and how it is to be implemented, and that is the setting of the precept. There is a great focus on having more local democratic control, but there is perhaps some misunderstanding about how the panel will work in relation to the precept.

We have heard that Liberal Democrat Members want a strong panel, and that there is currently something called a veto in the Bill. However, the small print shows that the panel will have no veto on the precept. All that it will get to do is say, "We don't like this." The elected commissioner will have to take into account what it has said, but he can then impose what he wants. At the moment, it is the Secretary of State who is to have the power to intervene and hold a referendum, not the local panel. I hope that will be reconsidered and changed in the other place.

When the Minister for Policing and Criminal Justice explained the relevant regulations on Report, he said it would be for the panel to put forward an alternative, and then the public would decide. In Committee, however, he said that it would be for the police and crime commissioner to give an alternative that was not excessive, and then the referendum would be to choose between the two. The local people should be in charge—that is the focus of the Bill, and I hope the matter will be considered in the other place. I commend the Bill.

5.55 pm

Mr David Blunkett (Sheffield, Brightside and Hillsborough) (Lab): Who would ever have believed that it would be a Conservative Home Secretary who took the Home Office back to the pre-Michael Howard era, when there was an overwhelming belief that neither the Home Secretary nor the Home Office had any part to play in reducing crime, co-ordination across boundaries or understanding the sophistication of organised criminality? Today, of course, e-crime and cybercrime can be added to that list.

Who would have believed that a Conservative Home Secretary would oversee a 20% cut in policing in this country, or chide a Labour Opposition for being obsessed with police numbers? I was proud to be the Home Secretary for the four years when we increased the uniformed police service by 15,000 officers. That was what the communities that we represented were demanding, and that was what they got. That was why there was a 43% reduction in overall crime in this country, and a much greater reduction in burglary and car crime.

Perhaps the Home Secretary could never in her wildest dreams have realised that she was going to come to the House and say that she could not present a protocol for the relationship between the new elected police and crime commissioners and chief constables, because the Government had not yet managed to put it together. They do not know what the relationship is going to be.

The Minister for Policing and Criminal Justice rightly quoted the document about accountability that I presented to the last Home Secretary but one. He was right to say that I was concerned about power lying where accountability was held, and that, of course, is with the chief constable, the leadership team and the neighbourhood commanders who respond directly to the neighbourhood that they represent. I was proud to introduce the neighbourhood beat teams and police community support officers, which brought us close to our neighbourhoods.

Now we are going to see total confusion, with policy decided by an elected police commissioner and delivery decided by a chief constable who has to do as they are told, and with no proper, organised cross-boundary working. There will be a breakdown of direct accountability, including in the role of elected councillors, and of the partnership approach that is so crucial to the reduction of crime and the engagement of the citizenry. That engagement is part of the process needed to ensure that we can continue to have the tremendous legacy that we left the current Government.

5.58 pm

Dr Huppert: I will try to be very brief. I thank Ministers for the helpful discussions that they have had with us and for the fact that we have managed to improve the Bill. I thank them for agreeing to our suggestions on removing the power for council officials to use reasonable force in protests and on ensuring that the Advisory Council on the Misuse of Drugs plays a role in assisting on temporary banning orders. I thank them very much for agreeing to those requests, because that has improved the Bill.

There are still some issues to discuss as the Bill continues through the Lords, but it is very good. Liberal Democrats stood on a manifesto commitment to bring democracy into such matters. Unlike the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper), I think the public should have their say. Democracy is very important.

I am particularly pleased that the Government propose to use a preferential voting system to elect the commissioner. That is a much fairer way of electing people who have such a critical role.

I am also pleased that we are unwinding some of the disgraceful measures introduced by the previous Government to stop protests in Parliament square. Unlike the right hon. Member for Rotherham (Mr MacShane),

I do not believe that Parliament should be protected from the public. Parliament and the police should be accountable to them, which is what will now happen.

Question put, That the Bill be now read the Third time.

The House divided: Ayes 274, Noes 161.

Division No. 249]

[5.59 pm

AYES

Adams, Nigel	Drax, Richard
Alfryie, Adam	Duddridge, James
Aldous, Peter	Duncan, rh Mr Alan
Amess, Mr David	Dunne, Mr Philip
Andrew, Stuart	Ellis, Michael
Bacon, Mr Richard	Ellison, Jane
Baker, Steve	Elphicke, Charlie
Baldry, Tony	Eustice, George
Baldwin, Harriett	Evans, Graham
Barclay, Stephen	Evennett, Mr David
Bebb, Guto	Fabricant, Michael
Beith, rh Sir Alan	Featherstone, Lynne
Bellingham, Mr Henry	Field, Mr Mark
Beresford, Sir Paul	Foster, rh Mr Don
Berry, Jake	Francois, rh Mr Mark
Binley, Mr Brian	Freeman, George
Birtwistle, Gordon	Freer, Mike
Blackman, Bob	Gale, Mr Roger
Blunt, Mr Crispin	Garnier, Mr Edward
Boles, Nick	Garnier, Mark
Bone, Mr Peter	Gauke, Mr David
Bottomley, Sir Peter	Gibb, Mr Nick
Bradley, Karen	Gilbert, Stephen
Brady, Mr Graham	Gillan, rh Mrs Cheryl
Brake, Tom	Glen, John
Bray, Angie	Goldsmith, Zac
Brazier, Mr Julian	Gove, rh Michael
Brine, Mr Steve	Graham, Richard
Brokenshire, James	Grant, Mrs Helen
Brooke, Annette	Grayling, rh Chris
Bruce, Fiona	Green, Damian
Bruce, rh Malcolm	Greening, Justine
Burley, Mr Aidan	Gummer, Ben
Burns, Conor	Gyimah, Mr Sam
Burns, rh Mr Simon	Hallon, Robert
Burrowes, Mr David	Hammond, Stephen
Burt, Alistair	Hancock, Matthew
Byles, Dan	Hancock, Mr Mike
Cable, rh Vince	Hands, Greg
Cairns, Alun	Harper, Mr Mark
Carmichael, Neil	Harrington, Richard
Cash, Mr William	Harris, Rebecca
Chishti, Rehman	Hart, Simon
Clappison, Mr James	Harvey, Nick
Clark, rh Greg	Hayes, Mr John
Clarke, rh Mr Kenneth	Heald, Mr Oliver
Colley, Dr Thérèse	Heath, Mr David
Collins, Damian	Henderson, Gordon
Colville, Oliver	Herbert, rh Nick
Cox, Mr Geoffrey	Hinds, Damian
Crabb, Stephen	Hoban, Mr Mark
Crouch, Tracey	Hollingbery, George
Davey, Mr Edward	Hollobone, Mr Philip
Davies, David T. C.	Holloway, Mr Adam
(Monmouth)	Hopkins, Kris
Davies, Glyn	Howarth, Mr Gerald
de Bois, Nick	Howell, John
Dinenage, Caroline	Hughes, rh Simon
Djanogly, Mr Jonathan	Huhne, rh Chris
Dorrell, rh Mr Stephen	Hunt, rh Mr Jeremy
Dorries, Nadine	Hunter, Mark

Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Laws, Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, Mr Peter
Lloyd, Stephen
Lord, Jonathan
Loughton, Tim
Lumley, Karen
MacLeod, Mary
Main, Mrs Anne
Maude, Mr Francis
May, Mr Mrs Theresa
McCartney, Jason
McCartney, Karl
McLoughlin, Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Munt, Tessa
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Opperman, Guy
Ottaway, Richard
Parish, Neil
Patel, Priti
Pawsey, Mark
Penrose, John
Percy, Andrew

Phillips, Stephen
Pickles, Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, Mr John
Reckless, Mark
Redwood, Mr John
Rees-Mogg, Jacob
Reid, Mr Alan
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Sharma, Alok
Shelbrooke, Alec
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyne, Mr Andrew
Uppell, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, Mr Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walker, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willets, Mr David
Williams, Roger

Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy

Wright, Simon
Young, Mr Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Norman Lamb and
Mr Robert Goodwill

NOES

Abrahams, Debbie
Ainsworth, Mr Bob
Alexander, Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, Mr Ed
Banks, Gordon
Barron, Mr Kevin
Bayley, Hugh
Beckett, Mr Margaret
Begg, Dame Anne
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blenkinsop, Tom
Blunkett, Mr David
Bradshaw, Mr Ben
Brennan, Kevin
Brown, Mr Gordon
Brown, Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Clarke, Mr Tom
Coaker, Vernon
Cooper, Rosie
Cooper, Mr Yvette
Corbyn, Jeremy
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, Mr John
Dobbin, Jim
Dowd, Jim
Doyle, Gemma
Eagle, Ms Angela
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Farrelly, Paul
Field, Mr Frank
Fitzpatrick, Jim
Fiello, Robert
Flynn, Paul
Fovargue, Yvonne
Gapes, Mike

Gilmore, Sheila
Glendon, Mrs Mary
Goodman, Helen
Green, Kate
Greenwood, Lilian
Gwynne, Andrew
Hain, Mr Peter
Hamilton, Mr David
Hanson, Mr David
Harman, Mr Ms Harriet
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodgson, Mrs Sharon
Hopkins, Kelvin
Howarth, Mr George
Jackson, Glenda
Jarvis, Dan
Johnson, Diana
Jones, Mr Kevan
Joyce, Eric
Kaufman, Mr Sir Gerald
Kendall, Liz
Khan, Mr Sadiq
Lammy, Mr David
Lavery, Ian
Leslie, Chris
Liwyd, Mr Elyn
Love, Mr Andrew
MacShane, Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonnell, John
McFadden, Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, Mr Mrs Anne
Meacher, Mr Michael
Meale, Mr Alan
Mearns, Ian
Miliband, Mr David
Miller, Andrew
Morris, Graeme (Livingston)
Morris, Graham M.
(Easington)
Munn, Meg
Murray, Ian
Nandy, Lisa
Onwurah, Chi
Osborne, Sandra
Pearce, Teresa
Phillipson, Bridget
Qureshi, Yasmin
Raynsford, Mr Nick

Reynolds, Emma
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Sutcliffe, Mr Gerry
Thomas, Mr Gareth

Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Twigg, Derek
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Wright, Mr Iain

Tellers for the Noes:

Mark Tami and
David Wright

Question accordingly agreed to.

Bill read the Third time and passed.

Mr David Hanson (Delyn) (Lab): On a point of order, Mr Speaker. I wonder whether you have had a request for a statement, either tonight or tomorrow morning, from the Minister of State, Cabinet Office. In response to a question from my hon. Friend the Member for Edinburgh South (Ian Murray), he told the Environmental Audit Committee this afternoon:

"we took the view collectively in Cabinet that we faced an immediate national crisis in the form of less growth and jobs than we needed",

in relation to the recent Budget. We were not aware of those conditions before the Budget vote on Tuesday. The Minister accepts that we have an "immediate national crisis", so has he given any indication of the need for a statement? We face unemployment at a 17-year high, a contracting economy, increasing VAT, and a jobs growth crisis in Britain. If the Minister is discussing with the Environmental Audit Committee, he should come to the House to explain himself.

Mr Speaker: I have received no request for any such statement, but I am reminded of why it was that the right hon. Gentleman once served as the Parliamentary Private Secretary to a former Prime Minister. I think we will leave it at that.

Ian Murray (Edinburgh South) (Lab): Further to that point of order, Mr Speaker. I was serving on the Environmental Audit Committee this afternoon. Given collective Cabinet responsibility and the admission of a national crisis, I wonder whether you could help us new Members of the House by saying whether, under the circumstances, Cobra should meet.

Mr Speaker: I have no knowledge of, intelligence about or opinion to volunteer on that matter, but I think that the hon. Gentleman is enjoying playing on the training ground, if I can put it like that.

Business without Debate

EUROPEAN UNION DOCUMENTS

PASSENGER NAME RECORD

Motion made, and Question put forthwith (Standing Order No. 119 (1)).

That this House takes note of European Union Document No. 6007/11, and the Addenda 1 and 2, relating to the draft Directive on the use of Passenger Name Record data for the prevention, detection, investigation and prosecution of terrorist offences and serious crimes; welcomes the opportunity to hold a Parliamentary debate on the criteria the Government will take into account when making its opt-in decision within the three month deadline under Protocol 21 to the Treaty on the Functioning of the European Union and the Treaty on the European Union; and endorses the Government's aim of working with other Member States to strengthen the security of EU citizens whilst also protecting their data by developing an effective EU passenger name record system. — (Mr Dunne.)

Question agreed to.

Zurbaran Paintings (Auckland Castle)

Motion made, and Question proposed, That this House do now adjourn.—(Mr Dunne.)

6.13 pm

Helen Goodman (Bishop Auckland) (Lab): When I requested this debate I did not know about the Church Commissioners' announcement, and I wondered whether there should be a question mark in the title. However, I was just looking at the Order Paper, and I see that we now have a full stop, which is the right thing to have. I am absolutely delighted by the announcement that the Church Commissioners have made to secure in perpetuity the Zurbarans at Auckland castle.

Every politician dreams of receiving a brown envelope containing leaked documents that they can reveal to the press, but when I received mine and saw that it contained proposals for the sale of these national treasures in my constituency I was really alarmed. I was clear that I did not want my constituency to be asset-stripped. Equally, I do not hold to the view that every cultural icon should reside within the orbit of the M25.

Jonathan Ruffer has most generously provided the money to keep the Zurbarans in Auckland castle. When I read the interview with him in *The Spectator* and saw his emotional response to the story, I felt vindicated that I had given the documents to *The Northern Echo*. I hope that the Under-Secretary will note the importance of having a free, independent-minded press that can speak up for local communities at all times.

Many people have been thanked over the past 24 hours, but I particularly want to thank the anonymous person who sent me those documents. We will never know who it was, but they took a risk, and it was definitely a risk worth taking. I know that their action annoyed the Church Commissioners, and I can understand that, but the time and effort that have gone into solving the problem mean that we now have a much better solution than we would have had a year ago. I hope that the Church Commissioners feel that as well. Obviously, it is the mission of the Church to provide pastoral care at parish level, but it is also its mission to speak the great truths about humanity and to use art and stories to do that. Now we have the opportunity to do both those things.

In making the case for keeping the pictures in Auckland castle, and setting out our vision for a regenerated Bishop Auckland, we knocked on many doors. We were immensely strengthened and supported by the sympathetic hearing that we received from everyone from the Archbishop of Canterbury down. All the bishops were immensely supportive, as were the directors of the British Museum and the National Gallery. Another positive outcome is the fact that we have built up a well of support that will help us in progressing the project to create something very beautiful in Bishop Auckland.

Sir Alan Beith (Berwick-upon-Tweed) (LD): I want to assure the hon. Lady that there is equal delight right across the north-east that this wonderful philanthropic gesture has been made, and that this happy outcome has been secured.

Helen Goodman: I am grateful to the right hon. Gentleman for his support; I know that he has spoken about this matter in our region.

This is an important day, because the pictures have historical significance. Francisco de Zurbaran was a Spanish counter-reformation painter whose paintings can be seen across the world. I went to Chartres in the new year and saw one of his paintings there. Of course, it was in the bishop's residence. The collection in Auckland castle is particularly special because 12 of the 13 paintings belong together. The series is known as Jacob and his 12 sons. The long dining room at the castle was specially modified to hold the pictures.

Bishop Trevor, who bought the pictures, had previously lived in Downing street, but he became Bishop of Durham in the middle of the 18th century. He did a lot of work at Auckland castle. He built a deer house, which probably meant that the deer were better housed than the tenants at that time, and he bought those fantastic pictures. It is believed that he did that out of solidarity with the Jewish community. Like all the Anglican bishops, he supported the legislation to extend the civil rights of the Jewish community, and he preached on the suffering of those in the Jewish diaspora. When the so-called Jew Bill was repealed by the Tories, the bishop bought the pictures and hung them in the long dining room at Auckland castle.

The director of the British Museum, Neil MacGregor, who had the paintings displayed in London in 1994, has called them the

"first multicultural document of Britain".

That is why, if these paintings had been lost, moved or exported, it would have been a loss not only to the town of Bishop Auckland and our region, but to the nation. That is why I am extremely grateful to Jonathan Ruffer for his extraordinary generosity, which has enabled the establishment of a trust that will keep the paintings in the castle in perpetuity.

I would like to ask the Second Church Estates Commissioner, the hon. Member for Banbury (Tony Baldry), if he has any more details about the objects of the trust or who the trustees might be. Does he know how many of the priests employed through the money that Mr Ruffer donated will be in the Durham diocese?

The research undertaken by John McDonnell, QC, in recent months has shown that Bishop Trevor undoubtedly intended the pictures to stay at Auckland castle. As a result of this development, the legal issues surrounding the pictures will not be tested at this juncture. I want to note, however, that the case for incorporating the pictures as part of the grade I listing at Auckland castle still stands.

I want to pay particular tribute to Bob McManners, who is the chair of the Bishop Auckland Civic Society. He wrote a book about the history of the paintings and it turned out to be a fantastically valuable campaigning tool, which played a vital part in the success of this campaign.

The importance of inter-faith dialogue has obviously grown in the last 250 years, while our understanding of the difficulties and dilemmas of building a successful multicultural society has also developed. As well as having the paintings in Auckland castle as a symbol of commitment to inter-faith dialogue and multiculturalism, I hope there will also be space to allow people of all different faiths to meet together.

The land on which Auckland castle stands was gifted by King Canute to the Church. I particularly like this detail, because my mum, who is Danish, comes from

the same village as King Canute. Since 1138, the bishops of Durham have made Auckland castle their first residence. Over the years, the bishops of Durham grew in power and authority, and temporal power backed up spiritual power. County Durham was the last place in England to send Members of Parliament to Westminster. Some people think that politics in our area is still somewhat behind that of the rest of the country!

What will attract people to visit the castle is not just its very interesting history, as the main reason people will come is that it is in a fantastically beautiful spot. Auckland castle is a Gothic building, with probably the largest private chapel in Europe, and it is situated in beautiful park land on a wooded promontory overlooking the river Wear.

The partnership proposed between Durham county council and the National Trust is a really positive development, alongside the generous donations of other individuals and other institutions. Another question for the Second Church Estates Commissioner is whether the Church Commissioners will be open to the possibility of involving other people in the partnership. I am thinking, in particular, of the contribution that the World Monuments Fund might be able to make.

I had originally thought that the Second Church Estates Commissioner rather than the Under-Secretary of State for Culture, Olympics, Media and Sport, the hon. Member for Wantage (Mr Vaizey), would respond to this debate. I hope that the Minister is in his place to tell us that the Department for Culture, Media and Sport is going to make a financial contribution as well as a moral one, so I look forward to hearing what he has to say.

The attraction of this project is that it is multi-layered: it is of historic interest, religious interest and artistic interest. Particularly exciting is the offer made by the director of the National Gallery, Dr Nicholas Penny, to lend paintings to Auckland castle so that we can turn it into an artistic centre.

For the people of Bishop Auckland this is obviously a question of identity, but it also presents a great opportunity to regenerate a town that has suffered significantly in recent years. Unemployment has been high, and several of our wards are among the 10% that are the most deprived in the country. It is easy to underestimate the number of jobs that can be created from tourism because they are generally in small businesses, but there are already 12,000 such jobs in County Durham, and tourism brings in £650 million a year. I am sure that we can build on that. It would be fantastic if we could create a trail from Lindisfarne down through Jarrow to Durham and on to Bishop Auckland, repeating the journey of St Cuthbert's shrine.

I want to thank many people for contributing to today's happy outcome, not least the Second Church Estates Commissioner—as well as the secretary to the Church Commissioners, whom I see sitting in the Box. They came to Bishop Auckland in the snow, they pushed my car, and they listened to what was said by people in Woodhouse Close about why they wanted to hold on to the paintings and have public access to the castle.

I thank my parliamentary colleagues in both Houses for their support, and I thank Durham county council, which has done a great deal of work but has a great deal more to do. I thank people throughout the country who

have written to us and prayed for us. I thank Barbara Laurie, Marjorie Kellett, Ann Golightly and the many others who organised the petition. Most of all, however, I thank my constituents for defending their heritage so staunchly. After 900 years a Bishop of Durham will still live at the heart of our community, which is fantastic, because you can't take the Bishop out of Bishop Auckland.

6.27 pm

The Second Church Estates Commissioner (Tony Baldry): I congratulate the hon. Member for Bishop Auckland (Helen Goodman) on securing this timely debate, and thank her for her kind personal comments. She has been a tireless and dedicated campaigner on this issue on behalf of those who live close to Auckland castle and those who come to enjoy it, its grounds and, especially, its paintings. As she made clear, both she and the people of Bishop Auckland, along with those in the wider region, are delighted about today's announcement by the Church Commissioners that they are working to keep the Zurbaran paintings in Auckland Castle.

As Second Church Estates Commissioner, I am well aware of the strength and intensity of feeling that the castle and its paintings inspire in the hon. Lady and her constituents, and indeed in the diocese and the wider Church. It has been my pleasure to work with the hon. Lady on this issue in recent months. I was privileged to visit her constituency last November to view the paintings, along with other representatives of the Church Commissioners.

As the hon. Lady said, it is proposed that the 13 paintings by the Spanish artist Francisco de Zurbaran that currently hang in the Long Dining Room of Bishop Auckland castle should stay there, thanks to—I do not think that we can underline this too much—an extraordinary act of generosity by Jonathan Ruffer, chief executive of Ruffer. The paintings will be sold to a new trust, which will have a specific obligation to ensure their preservation and continued public display at Auckland castle. We are immensely grateful to him for an act of generosity that will ensure continued public access to those works of art in their natural home.

While I am giving credit where it is due, let me take the opportunity to thank Sir Paul Nicholson, Lord Lieutenant of Durham, for his chairmanship of the working party; Christopher Higgins, Vice-Chancellor and warden of Durham university; the Right Rev. Mark Bryant, Bishop of Jarrow; and all the others whose help, advice and assistance in recent months have proved invaluable in securing this resolution. I also thank my fellow Church Commissioners who have engaged so actively in the matter.

Although the Church Commissioners are significant owners of land and property, they are not, by and large, in the business of owning, maintaining and displaying paintings. I have made that point in the House before during questions on this issue, and I will return to it in a moment. However, I should first make a short detour. The Church Commissioners as we know them today came about in 1948 as the result of the merger of two bodies: Queen Anne's Bounty and the Ecclesiastical Commissioners. The older of these, Queen Anne's Bounty, was created in 1704 out of concern for the poverty of the clergy and the disrepair of their parsonages. Over a

[Tony Baldry]

century later, Parliament created the Ecclesiastical Commissioners to manage the historic assets in order to make financial provision for the Church's mission in areas of need and opportunity as well as to fund bishops and some cathedral costs, and in order to oversee a reorganisation of dioceses and cathedrals. Financing clergy pensions came much later.

The theme running throughout our 300-year history, which is very much alive today, is of supporting the Church's mission throughout England. Today, the commissioners are responsible for all clergy pensions earned up to 1998, the stipends and working costs of all the Church of England's bishops, the housing costs of all diocesan bishops and support of their local and national ministries, cathedral grants, stipends to cathedral deans and canons—and the list goes on. Currently, the Church Commissioners manage an investment portfolio of about £5 billion, largely in property and shares, which is derived from the Church's historic resources. From this sum, they are able to contribute about 16p in every pound to the cost of the Church of England's mission, with most of the balance coming from the generous giving of today's parishioners. The majority of the commissioners' other assets are in land and property, and as such they are not readily available to fund the day-to-day running of the Church of England. As a result of their investment performance, the Church Commissioners have distributed £31 million more each year to the Church for the past 10 years than if they had performed as an average fund. The point I would make in connection with all of this is that, although the Church of England owns and maintains about 16,000 places of worship and is responsible for 45% of this country's grade I listed buildings—and so is arguably the nation's leading heritage organisation, a point my hon. Friend the Minister and colleagues in the Department for Culture, Media and Sport well understand—the holding of heritage assets, of which the Zurbaran paintings are a prime example, has never been central to the commissioners' asset portfolio.

The hon. Lady described very well the history of how the Zurbarans came to Auckland castle. The £125 spent by Bishop Trevor in 1756 was clearly a very worthwhile investment, because what it bought is now worth £15 million. With the moneys released by the sale of the Zurbaran paintings to the proposed trust, it will be possible to fund 10 additional clergy in perpetuity and to offer ministry to deprived areas of the nation. Doubtless some of the benefit of this arrangement will be enjoyed by communities in the north-east.

It is a matter of public record that the Church Commissioners have been reviewing the suitability of Auckland castle as the home of the Bishop of Durham and as the base for his local and national ministry. As part of this, the commissioners have been in discussions with representatives of the diocese and other local people. With the question of the Zurbaran paintings settled, the Church Commissioners now intend to work towards a future for the castle that not only maintains the strong and historic working link between it, the Bishop and the diocese, but that helps the site become, in the words of the hon. Lady herself,

"the focus for the development of tourism and an engine of regeneration."

I look forward to working with her as future plans develop, and with heritage bodies, the county council, the people of Bishop Auckland and the Heritage Lottery Fund. The hon. Lady mentioned other organisations, and, indeed, other heritage organisations wish to be involved with this regeneration project, which I am sure would be welcomed.

I should stress that Auckland castle will remain the base for the Bishop of Durham's ministry; he will continue to work there and pray in the chapel there, so it will be the centre of his work. I should also stress that what happens at Auckland castle sets no precedent in respect of the continued assessments and feasibility studies of all bishops' residences. The commissioners continue to have a responsibility to ensure that the Church's diocesan bishops are housed appropriately so as to enable them to fulfil their ministry locally and nationally. They are subject to a regular review process, and that process will continue, with decisions made on an individual basis.

I conclude by quoting from a letter that appeared in the *Church Times* on 25 March 2011 from the Rev. Richard Deimel, a local vicar in Bishop Auckland. Having been unhelpfully misquoted by a different newspaper—we might all sympathise with that—he wanted to set the record straight. Given that he makes some insightful and eminently sensible points, they are worth repeating. He said:

"The question of the sale of the Zurbarán paintings from Auckland Castle is complex and sensitive. I am a Vicar of five parishes from the edge of Bishop Auckland to Hamsterley forest. People here feel that they have very little significant heritage or art or architecture in their community. Many are very proud of the paintings and the castle. They find meaning and identity in their story. It would be incredibly damaging, indeed a bit like a kick in the teeth from the church and the state, if these left the North East or went into private hands.

I fully support attempts to build a partnership to retain them in some kind of shared ownership. This would be a real boost to the local community and economy. It would, also release the Church from the responsibility of being a custodian of heritage, because that is not the purpose of the Church."

I agree with all those sentiments and I hope that those in the north-east will feel that that is what we have managed to deliver on. I have confidence that what the commissioners have announced today will reassure not only Rev. Richard Deimel, but the hon. Lady and her constituents, and all those petitioners in the region and beyond who have made their concerns known. What has been achieved is, I hope, in the best interests of the north-east, the Church and the Church in the north-east.

6.36 pm

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): This is one of those rare debates when the House can unite in unalloyed joy and pay tribute to the extraordinary efforts of a number of people and organisations in producing an extraordinarily good news story. Some of the speeches we have heard have, to a certain extent, sounded like Oscar speeches, because many people have had to be thanked. Of course the hon. Member for Bishop Auckland (Helen Goodman) could not thank herself, so let me thank her for all her efforts in securing Zurbaran's paintings. I had not quite appreciated the vigour of her campaign and I listened to her speech with great joy as I heard what an extraordinary campaign

she had led. When the roll call—perhaps I should say the battle honours—of those who saved the Zurbaran paintings comes to be written, I hope that her name will be prominent.

Francisco de Zurbaran, a contemporary of Velazquez and El Greco, was honorary painter to King Philip IV of Spain, who hailed him as the king of painters. Although fashion turned against him, his reputation was restored by Napoleon Bonaparte, who acquired many of his paintings, some of which are on display in the Louvre. As the hon. Lady pointed out, the Zurbarans at Auckland castle came there by way of Bishop Trevor. They were completed in the 1640s and turned up again only in 1720, in the possession of Sir William Chapman, a director of the ill-fated South Sea Company. So sometimes a financial crash can have a silver lining, because they were auctioned in 1756 and bought by Bishop Trevor, the Bishop of Durham.

As the hon. Lady pointed out, Bishop Trevor had persuaded his fellow bishops in the House of Lords to support the "Jew Bill"—the Jewish Naturalisation Bill—which would allow Jewish immigrants to naturalise as British citizens. The support of the bishops proved crucial to the Bill being passed. Bishop Trevor bought 12 of the 13 Zurbarans now on display in Auckland castle for £124 to demonstrate his sympathy for the disfranchised Jews following the repeal of that legislation in 1755. Somehow one painting—the painting of Benjamin—eluded him. Bishop Trevor was so desperate to complete his set of Zurbarans that he commissioned the foremost portrait painter of the day, Arthur Pond, to paint a facsimile of the final one in the series, for which he paid £21.

I know that the Church Commissioners understood the important considerations and strength of public feeling over the future of the paintings, so I was as delighted as anyone to learn what had happened. The Church Commissioners have announced that they are working on exciting new plans for the future of Auckland castle and I do not think we should lose sight of that. Not only have the Zurbaran paintings been saved, but the partnership with Durham county council and the National Trust will, we hope, establish innovative uses for the castle and grounds in a new venture that would not only continue to care for the paintings but enable much greater public access for a wider range of activities.

I must obviously take this opportunity to express official thanks on behalf of the Government to Jonathan Ruffer for his donation. It is particularly astonishing

given that, according to the article in today's edition of *The Spectator*, he brought them sight unseen, but I gather he is in the north-east this weekend and will see the paintings he has saved for the nation and the north-east. I commend the article in *The Spectator* as showing an example of what it means to be a philanthropist.

May I also thank the Rothschild Foundation, which has donated £1 million towards an endowment for Auckland castle, and Lord Rothschild himself? The cultural life of this nation would be significantly poorer without the work of someone like Jacob Rothschild, not only because of the money that he gives but because of the money that he encourages others to give. I do not know Jonathan Ruffer, but he is a self-effacing man and he said of Jacob Rothschild in the interview today:

"The battle honours in all of this go to him, not me".

There is certainly some truth in that, because Jacob Rothschild has been at the heart of our cultural world for many decades and continues to be an incredibly important figure.

May I also thank the National Gallery, which I know is looking to help and support this venture—possibly with loans from its collection? I also thank the Church Commissioners, who continue to be in conversation with the Heritage Lottery Fund, the Art Fund and a number of other parties to consider how further funds can be raised. My Department, I am afraid, is not in a position to give direct financial support, but we have been kept closely in touch with developments and we will continue to work with all parties to broker some support. It might also be appropriate to pay tribute to Hillary Bauer, who is herself a cultural icon in my Department and has done a great deal to support these developments.

This is an unequivocally good news story. Joy has almost come out of the heavens, one could say. Jonathan Ruffer stands testament to philanthropy in this country; the hon. Lady stands testament as a campaigning MP for her constituency; the Church Commissioners stand testament as an organisation that is prepared to listen and negotiate before making a final decision; and the work of Durham county council, the National Trust, the Heritage Lottery Fund, the Art Fund and everyone else involved stands testament to what can be achieved by co-operation.

Question put and agreed to.

6.42 pm

House adjourned.

House of Commons

Friday 1 April 2011

The House met at half-past Nine o'clock

PRAYERS

[Mr SPEAKER in the Chair]

Mr David Nuttall (Bury North) (Con): I beg to move,
That the House sit in private.

Question put forthwith (Standing Order No. 163).

The House divided: Ayes 0, Noes 36.

Division No. 250]

[9.34 am]

AYES

Tellers for the Ayes:
Mr David Nuttall and
Mr Peter Bone

NOES

Bacon, Mr Richard
Banks, Gordon
Benyon, Richard
Bottomley, Sir Peter
Brown, Mr Nicholas
Coffey, Dr Thérèse
David, Mr Wayne
De Piero, Gloria
Djanogly, Mr Jonathan
Fitzpatrick, Jim
Francois, Mr Mark
Green, Damian
Greening, Justine
Greenwood, Lilian
Hanson, Mr David
Heath, Mr David
Hollobone, Mr Philip
Howarth, Mr Gerald
Hurd, Mr Nick
Johnson, Diana

Lancaster, Mark
Lidington, Mr David
Milton, Anne
Neill, Robert
Pincher, Christopher
Randall, Mr John
Rees-Mogg, Jacob
Rosindell, Andrew
Sanders, Mr Adrian
Seabeck, Alison
Shuker, Gavin
Smith, Henry
Teather, Sarah
Vaizey, Mr Edward
Webb, Steve
Wright, Mr Iain

Tellers for the Noes:
Mr Philip Dunne and
Stephen Crabb

Question accordingly negatived.

Coinage (Measurement) Bill

Bill, not amended in the Public Bill Committee, considered.

Third Reading

9.47 am

Mark Lancaster (Milton Keynes North) (Con): I beg to move, That the Bill be now read the Third time.

Although today is April fools' day, I can assure hon. Members that the Bill is no joke. It is relatively simple, but it will have a weighty impact, for it enables the Royal Mint to commemorate events of cultural significance and national importance with kilogram coins, starting with, but not limited to, the London 2012 Olympic and Paralympic games. Indeed, the only question raised in Committee was from the hon. Member for Dundee East (Stewart Hosie), who queried whether the Bill will enable future events such as the Commonwealth games to be similarly commemorated. The answer, of course, is that it will do so, subject to the permission of Her Majesty and the agreement of the Chancellor.

By making two small amendments to the Coinage Act 1971, the Bill removes a technical obstacle that currently prevents the Royal Mint from striking kilogram coins. The Act governs the striking of coins by the Royal Mint and contains various standards in respect of a coin's weight, fineness, composition and dimensions, with which coins struck by the Royal Mint must comply.

The Act also makes provision for permitted variations from those standards. Section 1(6) requires that the variation from the standard weight of any coin be measured as the average of a sample of not more than 1 kg of that coin. As I have said before, that is perfectly fit for the everyday coins that we have in our pockets, but in the competitive collector-coin market it is important to be able to push the boundaries and exploit growing technical capabilities and expertise to develop new and exciting products that will provide an enduring and lasting way of commemorating special events.

The Royal Mint intends to strike the coins in fine gold and in fine silver. They will have a standard diameter of 10 cm, and will weigh 1 kg. The coins will be legal tender, although their inherent metal value will far outweigh their nominal face value, which will be £1,000 for the gold coins and £500 for the silver coins. Their retail price will be heavily dependent on metal prices at the time of release. The choice of design will ultimately be a matter for Her Majesty the Queen and the Chancellor of the Exchequer, on the advice of the Royal Mint advisory committee on the design of coins, medals, seals and decorations.

The striking of kilogram coins has recently become part of the Olympic games tradition. Most other host nations in recent years, such as Australia, Canada and China, have issued coins of this type, and they have proved extremely popular with collectors internationally. Indeed, kilogram coins have featured in the international commemorative coin market since they were first issued in 1992. In the past 10 years, more than 40,000 Olympic kilogram coins have been issued around the world, and their ongoing popularity makes them an important addition to any international mint's commemorative coin range. Not only are these coins highly attractive to numismatists across the world, but due to their size and

[Mark Lancaster]

the high-profile artists who will be approached to design them, they become works of art as well as an investment opportunity.

Mr Peter Bone (Wellingborough) (Con): Obviously the word "kilogram" makes me slightly nervous, because it is not really British. However, my hon. Friend was referring to the other countries that have done this. When the Olympic games were held in America, did the Americans issue a kilogram coin?

Mark Lancaster: That is a good point. I have some sympathy with my hon. Friend over the use of the word "kilogram", but he will appreciate that the coins would be sold on the international market, which is why a kilogram coin is more appropriate. There seems to be some doubt about whether the United States issued such a coin. I think that it did, but I might have to come back to him. Inspiration might arrive before I finish my speech.

The Royal Mint anticipates similar demand for kilogram coins for London 2012, and plans to produce approximately 60 gold coins and 14,000 silver coins. This plan is based on more than 50 years' experience in the international commemorative coin market. The Royal Mint also attends regular international seminars with other mints, numismatists, collectors and trade partners, from which it is clear that there is a sizeable international market for kilogram coins. In anticipation of the London 2012 Olympics, the Royal Mint has put together an Olympic coin programme that, if this Bill is successful, is likely to be the largest ever seen.

This Bill will allow the Royal Mint to produce kilogram coins that will form the pinnacle of the programme. It has been endorsed by Jacques Rogge, President of the International Olympic Committee, who wrote:

"I have no doubt that the Royal Mint's Olympic Coin Programme will continue the worldwide success story of Olympic coins, and will take its place in the Olympic Museum at Lausanne alongside the 700 or so Olympic Coins of past years".

The Bill will allow the Royal Mint to crown its Olympic coin programme with kilogram coins, but they are just part of a range of products designed to offer something for everyone. By providing royalties to the London Organising Committee of the Olympic Games and Paralympic Games, the kilogram coins will contribute to financing London 2012. I understand that royalties will also be paid to the Treasury.

The Olympic coin programme in its entirety has been designed to ensure the widest possible participation. Design competitions have been run for "Blue Peter" viewers, for secondary school children, for art and design college students, and indeed for members of the public in general. The intention throughout has been to maximise the social and educational benefits of the programme. At the other end of the scale to the kilogram coin is the London 2012 sports collection, which features 29 50p pieces, each representing a different Olympic or Paralympic sport. Indeed, I thought that the hon. Member for Bristol East (Kerry McCarthy) was slightly cruel to me in Committee when she suggested that each coin should have a picture of me doing different decathlon events, whether the discus, javelin, the 100 metres, or perhaps even the 800 metres. I fear that that will not be the case.

The Royal Mint launched a competition inviting the British public to design the 50p sports series, and received more than 30,000 entries. The athletics 50p was designed by the nine-year-old winner of a "Blue Peter" competition—the first child ever to design a UK coin. Of particular relevance to my own constituency, the goalball 50p was designed by a Buckinghamshire artist, Jonathan Wren. I am pleased for the opportunity to be sponsoring a Bill that has wide-reaching implications for the whole UK and beyond. My constituency is home to one of the Olympic training villages—and indeed was the birthplace of the Paralympic games—so this Bill further cements a long-standing and important association between my constituency and the London 2012 Olympic and Paralympic games. I am grateful for the swift passage and warm welcome the Bill has enjoyed throughout the House to date, and I would like to thank hon. Members for their support so far. I commend the Bill to the House.

9.55 am

Mr David Hanson (Delyn) (Lab): I congratulate the hon. Member for Milton Keynes North (Mark Lancaster) on piloting the Bill to Third Reading and through Committee and Second Reading. He will know that my hon. Friend the Member for Bristol East (Kerry McCarthy) has supported the Bill to date. That support from the official Opposition will continue today.

The Bill makes an important contribution to ensuring that we can celebrate the Olympics next year and potentially, as the hon. Gentleman mentioned, consider the provision, through Her Majesty the Queen and the Chancellor, of further commemorative coins at suitable occasions in the future. As he said, the Bill is required to ensure that we establish a legal background for the change in size of the coins. I am particularly pleased that we can put in place this coin for the Olympic games. As the then Northern Ireland sports Minister, I remember standing in Trafalgar square on 6 July 2005 when the Olympics were awarded to the United Kingdom. I think it is fair to say that it was one of the achievements of the previous Labour Government that the Olympics were awarded to the UK, with cross-party support from both sides of the House. It is certainly something that we look forward to next year.

The coin itself will provide an opportunity to add value to the Olympics, allow us to celebrate them and send the message to the rest of the world and collectors across the globe that London is a place to do business. I hope that the sale of the coins will bring some value to the Treasury. We have had many discussions with the Minister about the level of the deficit. I am sure that this will bring in at least some money to offset some of the draconian measures that the Government will introduce. However, far be it from me to inject a note of discord into what is a day when we accept that the Bill is needed, fulfils a purpose and will serve a useful function. I congratulate the hon. Gentleman on piloting the Bill. He has our full support, and I look forward to many sales of the commemorative coin next year and to a successful Olympics. In future years, when commemorative coins are introduced on the many more occasions when we require them, he will be noted as the Member who introduced the Bill. I trust that the hon. Member for Wellingborough (Mr Bone) does not take too unkindly to the fact that kilograms are in place today. I am sure

that there are many areas on which we can agree, and although his scepticism about Europe reaches into a number of areas, I hope that he, too, will fully support the Bill and its objectives.

9.58 am

Mr David Nuttall (Bury North) (Con): I congratulate my hon. Friend the Member for Milton Keynes North (Mark Lancaster) on piloting the Bill so swiftly through its stages in the House. I should like to make a couple of points following on from the remarks made already.

My first comment concerns the value that the coin will bring to the Treasury. I understand that there are to be two coins—a gold coin with a face value of £1,000, and a silver coin with a face value of £500. I also understand that 60 of the gold coins and an estimated 14,000 of the silver coins are to be minted. The value of the coins will depend on the prevailing cost of precious metals, but if we were to base the cost on the best current estimate, a gold coin is likely to fetch about £40,000 and a silver coin about £500. Taking those together and doing a quick bit of maths, that makes £19.9 million—not bad for a morning's work—which I am sure would be gratefully received by the Treasury. Indeed, I understand that 20,000 coins were sold in the Beijing Olympics, so I wonder whether there might be scope for minting more than is currently allowed for.

Mark Lancaster: I fear that the figure might even be slightly larger than my hon. Friend realises. The estimated retail value of the silver coin will actually be £1,250.

Mr Nuttall: In that case the amount from the silver coins would be more than doubled, and there are more of them as well.

Let me turn to the size. On Second Reading I mentioned my disappointment that the coins were to be minted in kilograms, and suggested that they be minted in a multiple of a troy ounce. It was said that the coins are for the international market. If the object of the enterprise is to raise as much money as possible for the Treasury, the coins might be worth even more—with more collectors for them, raising even more money for the Treasury—if they are minted as a multiple of a troy ounce, because of their rarity on the international market.

Mention has been made of the suggestion made in Committee that the coin should perhaps bear an image of my hon. Friend in an athletic pose. He has been very modest today, because he has not mentioned the fact that, as he told the Committee, on the weekend before it sat he did his combat fitness test for the Army, running 8 miles while carrying 25 kg on his back. That is no mean feat, and I am not sure that many of us in the Chamber this morning could do that.

Jacob Rees-Mogg (North East Somerset) (Con): I wonder whether the 25 kg that my hon. Friend the Member for Milton Keynes North (Mark Lancaster) was carrying was made up of coins.

Mr Nuttall: That is a good point.

Mark Lancaster: I wish they had been.

Mr Nuttall: Indeed, it would have been easier if they had been, but the pack on my hon. Friend's back was probably rather bulkier. I thank him for his work for the Army.

Finally, it is often said that too few private Member's Bills—in fact, hardly any—make it through the House. I would draw hon. Members' attention to the fact that this Bill—which will, I am sure, shortly complete its stages through this House—will be the fourth Bill to complete its passage on a Friday, in addition to the Estates of Deceased Persons (Forfeiture Rule and Law of Succession) Bill, the Sports Grounds Safety Authority Bill and the Wreck Removal Convention Bill. That shows that passing a private Member's Bill is possible, and as this Bill has shown, it is also possible to do it fairly swiftly. The Bill received its Second Reading on 4 February, went to Committee on 16 March and today, on 1 April, will pass safely to the other place for consideration, where I hope it will receive swift approval, so that the Royal Mint can crack on with producing the coins and bringing in much needed funds to our Treasury. I congratulate my hon. Friend on piloting the Bill to this stage and wish it well in its future consideration.

10.4 am

The Economic Secretary to the Treasury (Justine Greening): I congratulate my hon. Friend the Member for Milton Keynes North (Mark Lancaster) on bringing the Bill successfully to this stage. As we have heard, the Bill is wholly supported by the Government and, I think, by Members across the House.

I am pleased that, as my hon. Friend observed, the Bill will allow the Royal Mint to provide an Olympic coin programme that will surpass its predecessors and ensure the Royal Mint's place as a leading international provider of commemorative coins. As my right hon. Friend the Prime Minister said in an endorsement letter to the Royal Mint:

"As we move towards the Games it is wonderful to see British companies, such as the Royal Mint, commemorating the journey in a way that brings British skill and craftsmanship to the attention of the world."

In doing so, the Royal Mint will also generate a revenue stream for the Exchequer, as my hon. Friend the Member for Bury North (Mr Nuttall) noted. Under the UK coin contract, the Royal Mint pays a royalty to Her Majesty's Treasury for commemorative coins. It is estimated that the Olympic coin programme, including the kilogram coins, will generate a royalty payment of approximately £1.8 million, although the exact amount will depend on sales volumes, retail price and metal prices. However, the mint will no doubt receive additional profits, which it can invest in developing the Royal Mint and its business over the coming years, which will be welcome. The Royal Mint has similar royalty arrangements with the London Organising Committee of the Olympic Games, and the International Olympic Committee. As this Bill is not limited to the Olympic coin programme, future events celebrated with kilogram coins would generate similar revenue.

As my hon. Friend the Member for Milton Keynes North noted, today is indeed April fools' day. This debate brings to mind a 2008 April fool, when a Canadian radio station interviewed a Royal Canadian Mint spokesman who revealed plans to replace the Canadian \$5 bill with a \$3 coin. The coin was dubbed a "threenie",

[Justine Greening]

in line with the nicknames of Canada's \$1 coin—which is commonly called a “loonie”, as it depicts a common loon on the reverse—and the \$2 coin, which is affectionately known as the “toonie”.

Mr Bone: Not as an April fool, but in commemoration of the fact that my hon. Friend the Member for Milton Keynes North (Mark Lancaster) has taken this Bill through the House, can the coin be called “The Lancaster”?

Justine Greening: It may well end up with that nickname, which would be appropriate for a coin that, as we heard, will not just be minted to commemorate the Olympics but could be used to commemorate a whole range of special events in this country where we think that coin collectors might be interested in adding to their collections.

With their large size, the kilogram coins will be an exciting, artistic and eye-catching piece of numismatic art that will no doubt be treasured and passed on to future generations. At almost 1,100 years old, the Royal Mint is a tradition in itself. The production processes—from design and modelling, to the blast furnaces, and the striking of blanks and ultimately coins—are the epitome of a successful manufacturing company. As my right hon. Friend the Chancellor of the Exchequer said in last week's Budget speech, manufacturing is crucial to the rebalancing of our economy. Under this Government manufacturing is now growing at a record rate, with 14,000 more jobs created in the sector in the last three months alone.

As the House will be aware, the Budget announced several measures to help promote and further develop British manufacturing, over and above the efforts that the sector is already making. I have no doubt that the Royal Mint will continue to pioneer new processes and develop as a pivotal part of British manufacturing. The Royal Mint has been based in south Wales since the 1960s and employs 850 people. I had the chance to meet them last year when I went down there to look at their production process and learn more about the practicalities of minting coins. I had a fascinating trip, but also learned an awful lot about the skill that the employees have to use to ensure that the coins that are minted—the coins that end up in our pockets and that we spend in shops every day—are ones that we can rely on.

Mr Hanson: Does the Minister recall that the establishment of the Royal Mint in south Wales was the result of a decision by the then Chancellor of the

Exchequer, James Callaghan, to decentralise government activity from London to the regions? I would like to impress on the Minister the advantages of considering such moves again in the future.

Justine Greening: The right hon. Gentleman makes a valid point. It struck me how important the Mint was to the local economy when I visited it. The broader point that he rightly makes is that, as the economy grows in the coming years, we need to ensure that more growth is in manufacturing, and that more of that manufacturing growth takes place outside London and the south-east, so that we end up with a more balanced economy.

It is also worth pointing out that the Royal Mint produces not only coins but all our British military medals except the Victoria cross, and, as we have heard, it has won competitive tender procedures to produce medals for sporting events such as the 2005 Ashes series and the 2012 London Olympic and Paralympic games.

My hon. Friend the Member for Milton Keynes North also mentioned the 50p sports series, and the House should note that the 29 designs are not only available as collectors' items but featured on circulating coins currently being issued to the general public. Fourteen of the 29 designs have already been issued in line with natural demand for coin, with the remainder entering our pockets in the lead-up to next summer's games. The 50p sports series also helped the Royal Mint to enter the record books when, last October, 1,697 newly minted Olympic 50p coins were flipped simultaneously, setting a new world record. I doubt that that record will be surpassed using kilogram coins, but that shows that the Royal Mint is part of the fabric of our British culture in a broader way than many of us realise.

The London 2012 Olympic games will be an event of huge importance for the whole country, and this legislation is important in ensuring that it can be appropriately celebrated. I believe that my right hon. Friend the Prime Minister was right in saying:

“I know that everyone in the UK is eager to make London 2012 the best Olympic and Paralympic Games ever seen, and I believe that the London 2012 Coin Programme will be one of the greatest and most successful in the history of the Games”.

I would like to thank my hon. Friend the Member for Milton Keynes North for introducing the Bill, which will help the Royal Mint to achieve such an ambition. We all wish it a safe and swift passage through the other place.

Question put and agreed to.

Bill accordingly read the Third time and passed.

Broadcasting (Public Service Content) Bill

Second Reading

10.12 am

Mr Peter Bone (Wellingborough) (Con): I beg to move, That the Bill be now read a Second time.

The Bill stands in the name of my hon. Friend the Member for Christchurch (Mr Chope), who has been away on parliamentary duties and hopes to get here later, subject to any delays caused by public transport. In his absence, I have the great honour and privilege of moving the Bill.

The Bill is in many ways similar to the Broadcasting (Public Service Content) Bill introduced by my hon. Friend on 12 June 2009. It is good news that the Under-Secretary of State for Culture, Olympics, Media and Sport, my hon. Friend the Member for Wantage (Mr Vaizey) is in the Chamber today, as he is the very man who was the shadow Minister when that Bill was introduced. I have read his comments on that Bill with great interest in *Hansard*, and I can read between the lines. He cannot fool me: he was totally in favour of it. No one who rereads that debate in *Hansard* could come to any other conclusion.

It is great to be following the previous debate, and I know that there are other important Bills on the Order Paper today, so I hope that we can make rapid progress with this Second Reading. This is a non-controversial Bill that should have the support of the whole House. It really should be the fifth private Member's Bill to become an Act of Parliament in this Session.

At its heart, this is a coalition Bill, but I want to put it clearly on the record that it is not a Whips' handout Bill. It might appear to be, because it contains all the elements that the coalition is in favour of, but I have to say that it is more of a Liberal-leaning Bill than a Conservative Bill. The Liberal party believes in private trade, in giving more power to the people and in civil liberties. In particular, it is against regressive taxation. All those elements are dealt with in the Bill. From a Conservative point of view, it has the disadvantage of breaking with tradition, but it would also lower taxation and create more trade and competition in the television and broadcasting industry. In the past, the BBC was linked with the previous great Prime Minister, Tony Blair, and many of us feel that the current Labour party will want to distance itself from that era. For that reason, we might get its support for the Bill as well.

The right hon. Member for Delyn (Mr Hanson) spoke from the Dispatch Box a few minutes ago, and he gave me a good idea. He pointed out that the Royal Mint had been relocated to south Wales, and that that had been a tremendous success. There is therefore a good reason to relocate the BBC away from London. I am sure that such a move would gain the support of the governors and all the people who work in the BBC. It might be a good idea to relocate the BBC to Swansea, but people might say that Swansea was much too far away for people needing to get back to London to meet important people. I have a much better solution. If the BBC were relocated to Wellingborough, people would have only a 50-minute journey into town to meet those people, and the rents and rates in Wellingborough are much lower than they are here.

Jacob Rees-Mogg (North East Somerset) (Con): I am concerned about that suggestion, because it might lead to a whole load of left-wing voters moving to Wellingborough, which could undermine my hon. Friend's majority.

Mr Bone: Alas, the public interest comes before self-interest, and I would lay down my seat if we could get the BBC to move to Wellingborough. Also, if the Bill were passed into law, the BBC would be a completely different kettle of fish, so I do not think I have too much to worry about in that regard. One of the great advantages of the Bill, if it became law, would be that the newly appointed Lord Patten would not have a job. That would save the BBC a considerable amount of money.

The Bill has had a small change in its text since its previous incarnation, but that change has important implications for non-BBC broadcasters. The Bill is also a sequel to the 2008 private Member's Bill introduced by my hon. Friend the Member for Christchurch. The aim of the Broadcasting (Television Licence Fee Abolition) Bill was fairly modest: it just wanted to abolish the licence fee in total. I do not think that that is right. I want to retain the licence fee, but I want it to cost a lot less, and I want its benefits to be available to non-BBC broadcasters. At the moment, it is not so much a licence fee as a BBC fee. All the money goes to the BBC, and none goes to other broadcasters.

I am told that the current licence fee, which is in effect a poll tax, is £145.50 a year. Almost no one can avoid paying that if they are under the age of 75. Anyone who has more than one television set in more than one location has to pay more than one licence fee. It is a very regressive tax. Also, anyone who does not have a television is still hounded as though they do have one. I had a constituent—this is not made up—who told the BBC licensing authorities that he did not have a television set. They did not believe him. They sent inspectors around to inspect every room in his home to see whether there was a hidden television. That is the sort of thing we might get in a totalitarian state, but surely it is not acceptable in the United Kingdom at any time, and certainly not in this century.

Let me provide a much more up-to-date example. First, however, I want to put on the record my thanks to my researchers, Mr James Newhall and Miss Victoria Michell, who provided some of the research for my speech, and to my hon. Friend for his previous work. Victoria Michell is my intern. She experienced the TV licensing authority's wrath. Previously living alone, working hard for a living and choosing to spend her money on shoes rather than a television, she informed the licensing authority that she did not own a television set and thought that that would be the end of the matter. Oh no! She regularly received letters from the licensing authority, insisting that she must have a television set and demanding to know why she had not paid the fee. She then received a visit from the inspectors. Unfortunately, she was at work—a normal pastime of those in their 20s—so they left her a note informing her that they would be back. She called the authority, grudgingly admitting she felt a little intimidated, to tell them that she worked full time and that if they wanted to visit her, they could do so but out of working hours. She was told by the inspectors that they would visit when it suited

[Mr Bone]

them. She waited every night—when she was not working late, at the gym or having dinner with friends—eagerly to clear her name, prove her innocence and show off her shoe collection. However, they never came. My intern would like to inform the House, so it is absolutely on the record, that she has since moved, adopted two televisions and has a TV licence.

Although that is a somewhat light-hearted story, if that person had been elderly or vulnerable, they would have felt considerably intimidated by a state regulator invading their privacy. The Bill would put an end to that. I should say that my intern is a well-qualified, highly articulate, intelligent young lady who is not easily intimidated. By the way, if anyone has a job going, I would recommend her as an exceptional researcher.

The next part of my speech is put in to get myself promoted! In these days of economic crisis, which is due to the mismanagement of the economy by the previous Labour Administration, who believed the illusion of there being no more boom and bust and threw away more and more public money, we now have a coalition Government, who were put together for the purpose of cutting the deficit. Everyone understands that these are tough times, and my constituents in Wellingborough find it difficult to pay £145.50 a year for something that they might not want. It is extraordinarily unfair that hard-working families who just get by have to pay nearly £150 whether they like it or not. What is really unfair is that a millionaire in another part of the country has to pay the same amount. In any other taxation situation, Labour Members would jump up and down and say that that is terribly regressive, which, of course, it is.

The Government, led by my right hon. Friends the Prime Minister and the Chancellor of the Exchequer, did an exceptionally good job with the Budget, but there were difficult decisions to be taken and they had to cut. It is rather strange that one thing that did not get cut—and a number of things did not get cut—was the cost of the television licence.

Let me now turn my attention to the issue of whether the BBC provides any public service content broadcasting at all and whether it should qualify for any money whatsoever under the Bill. I shall be interested to hear Members' views about this later. The Bill calls for public service content to be impartial and factual, so we need to see whether the BBC meets that test. My argument is that the BBC is, in fact, institutionally biased. It does not know that it is biased, but it is. I shall provide three brief examples of that.

The Government have ring-fenced spending on the NHS and is increasing it in real terms. The Department for International Development budget is increasing and our contributions to the EU are going from £19.8 billion over the last five years to £41 billion over the next five years. My constituents are being asked to pay nearly £150 to fund the state broadcaster, even though they may never watch the BBC. I am someone who, because of my profession, looks at all the different channels and I occasionally have to watch the BBC, but I do not watch it any more than I watch the channels for which I have to pay to view or the adverts on ITV. My wife has one of those buttons that can be pressed to miss out the adverts. That seems to me to be wholly unfair, so I sit

and watch them as that is the only way I can be assured that ITV will continue. My wife does not agree with me on that point, but then Mrs Bone does not always agree with me on everything.

Mr Speaker: Order. May I say to the hon. Gentleman that we have heard quite a number of his philosophical ruminations, references to his constituents and his admirable intern, for whom he hopes someone else in the House will provide a job, and the unfailing reference to the indefatigable Mrs Bone? I simply remind the hon. Gentleman that his Bill contains three clauses on "Public service content", "Payment of licence fee" and "Short title, commencement and extent", and it is to be hoped that on one of those he will dilate ere long.

Mr Bone: I entirely take your advice, Mr Speaker, but I do not want to dilate long on any particular point, so I shall try to keep my points brief when I get to them. Okay, so that gets rid of that, that and that. That has gone, too. We will get there, Sir.

The public service content is mentioned in clause 1(1) and is defined in some detail in clause 1(2). Let me outline the idea behind the Bill. The licence fee will be available to all broadcasters and it will be paid out in return for public service broadcasting content. It will not be left purely to the BBC, but be open to ITV, Channel 4, Sky and any other broadcaster and to local radio. The licence fee, which many people think is paid directly to the BBC, is, in fact, paid to the Secretary of State, who then dishes it out. I believe that the licence fee should be allotted for a specific purpose—in this case, the provision of public service content broadcasting. That is what my Bill would do.

I know that other very important Bills such as the Food Labelling Regulations (Amendment) Bill and the Fire Safety (Protection of Tenants) Bill are still to come, so I hope this debate will not go on for too long. As I say, I expect to get support, if not from Opposition Members, certainly from my hon. Friend the Minister, as I have read the remarks he made on the earlier Bill.

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): Remind me of what I said.

Mr Bone: I will remind the Minister. Bearing in mind that today is 1 April, I think what he effectively said was that it was a jolly good Bill and that it should pass. That is a summary of how I read what he said, although he may want to go into more detail on that.

Let me get back to the Bill. Public service content is broken down into four different categories. The first is the news element, so if a programme is a news programme, it must comprise

"local, national, international news or current affairs which is impartial, factual and objective".

Last night, I was participating in the "Anglia Late Edition" with the hon. Member for Luton North (Kelvin Hopkins), who was very good. The trouble is that whenever I go on programmes with him, I find myself in agreement with him—and most of the time we both disagree with our own parties. The hon. Member for Norwich South (Simon Wright) was also participating and he was very good. It was a genuine programme in which we talked about the alternative vote, cuts and the

closure of an RAF station—it was everything that public service broadcasting should be. It was a balanced programme—a representative of the Green party was on it as well—and it is a perfect example of the sort of broadcasting that we should have. Anglia does not receive a penny from the licence fee, however, and I believe that it should.

I want now to consider, in some detail, whether the BBC could qualify for any of that public service money. Let us return to the time of the last but one Prime Minister, Tony Blair. I felt then, and I think many other people felt, that we had not a British Broadcasting Corporation but a Blair Broadcasting Corporation, institutionally biased in favour of that Government. It did all the things that they liked. If someone was left-leaning, liberal, supported modernisation or loved the EU, he would be reported fairly and much more than anyone else. But if people did not fall into that category, why should they be asked to pay £150 for a licence, if they were paying for something that (a) they did not want to watch and (b) they did not agree with?

My Bill proposes that the licence fee should constitute money for public service broadcasting, and that any broadcaster who provides public service content should be able to apply for it. It would pay for no more and no less than that. It would not be limited to the BBC, and any broadcaster would be able to apply for it. If Sky were to broadcast public service content, it would be able to apply. I estimate that the cost of a licence would fall from £150 to about £50.

Millions of people watch, on the BBC, "Top Gear" and "EastEnders". Millions of people also watch "Fifth Gear" and "Coronation Street". Those two pairs of programmes are of exactly the same type, but one is funded by the state and the other is funded commercially. Under this Bill, the BBC would have to fund commercial programmes itself, through product placement, by selling the programmes on, or by imposing a small subscription fee which would, of course, have to be commercially competitive. The effect would be that of market forces competing. Such a system would not only keep the fee low, but put pressure on Sky to reduce its subscription fee—and if I had any criticism of Sky, it would relate to the level of its subscription fee. It would provide complete protection of public service content.

One of the misconceptions about the Bill has involved sport. During the debate on the earlier Bill, the hon. Member for Somerton and Frome (Mr Heath), now Deputy Leader of the House, said that because sport was not public service content, it would not be possible to broadcast any of it on the BBC. That is not the case. Commercially viable events such as test matches and the premier league would be commercially available to any broadcaster who paid the fee. As for minority sports that no one would otherwise want to broadcast, they are covered by clause 1(2)(d), which refers to the public service criterion that

"the content would not otherwise be likely to be provided by the market responding to consumer demand."

During that earlier debate, my hon. Friend the Member for Shipley (Philip Davies) referred to cuts in the broadcasting of horse racing events that were considered not to be commercially viable. Under the Bill, such events would become available to broadcasters because they would fall under the catch-all of clause 1(2)(d).

Jacob Rees-Mogg: Will there be a special preservation order for "Test Match Special", which really is part of the fabric of British life?

Mr Bone: That is a hugely important issue. According to my personal prejudice, "Test Match Special" must survive for ever, but the BBC cannot be trusted in that regard. Oh, no.

In my desire to be a new Conservative and a modern man, I bought a Saab biofuel car. There was a radio in it, and I tried to tune it. I understand that the new chairman of the BBC has never listened to Radio 1 or Radio 2 except when he has experienced difficulty in tuning his radio to radio 4. Would you believe it—when I tried to tune my radio to Radio 4 to listen to "Test Match Special", I found that it was not on the dial! The BBC had removed it from medium wave and stuck it on long wave. The BBC cannot be trusted with "Test Match Special". That is one of the respects in which the Bill would improve the position, and I thank my hon. Friend for raising the matter.

The Bill does not, however, concern only news programmes and sport. It also concerns other rather important matters. Since the introduction of the earlier Bill in June 2009, commercial broadcasters have cut current affairs and religious programmes and children's entertainment. I think that if such programmes were made available to other broadcasters, we would be able to welcome their return.

I was going to give a very good example of why the BBC should not be allowed to have any money for its current affairs programmes, but I am conscious that time is moving on and I want to deal with the detail of the Bill, so I shall remove that little example. I will not go into it. [HON. MEMBERS: "Go on!"] No, I will not allow myself to be encouraged, other than to say that it related to an occasion on which Mr Brown, the then Prime Minister, went to the European Parliament—I will summarise it very quickly—and Dan Hannan beat him up briefly in a speech. Whatever one may have thought about that occasion, it clearly qualified as public service broadcasting. Unfortunately, the BBC reporter decided to walk out and not to cover it, although he had been notified earlier that it would happen. Two million people tuned in to watch it on YouTube.

Mr Richard Bacon (South Norfolk) (Con): Three million.

Mr Bone: It seemed to me that that was an example of the BBC's institutionally biased view. It did not want to cover anything that was anti-EU. That is why I say that the BBC cannot be trusted with too much of the licence fee money for public service broadcasting.

Mr Bacon: I mentioned that the event was watched by 3 million people rather than 2 million because I monitored it, and I remember the figure rising from 2.6 million to 2.7 million and eventually to well over 3 million. Does my hon. Friend agree that that speech would rightly rank in an anthology of the greatest speeches of the last 10 years? It is only three or four minutes long, but it is one of the most extraordinary things that I have ever seen.

Mr Bone: Indeed. I have to say that I have not had the privilege of seeing it because I do not know how YouTube works, but on the very day that it was broadcast, my

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hon. Friend the Member for Christchurch, who was taking his children to school, was hauled aside by someone who said "You must come and watch this on YouTube." It should have been on national television rather than on YouTube. He followed it up with a letter to the director-general, who passed it on to someone else in the organisation to answer, who eventually replied saying, "We've looked into this matter and"—this is the crucial point—"the BBC news content is subjective." How right that is! It is utterly subjective. Therefore, by the BBC's own admission, it would fall foul of this part of my Bill and so would not necessarily qualify for licence fee funding for its news output. It would then have to start being objective, factual and impartial, and once it achieved that, it would qualify for the funding.

Because of what we Members do for a living, we watch all the news broadcasters to see the different ways they cover the news so we get a broad understanding of what is happening. Quite often Sky, Channel 4 and ITV will have a story at the top of the bulletin that the BBC has chosen to place further down because it is biased against that story. I do not say that with any glee; rather, I say it with some sadness and concern. When a state broadcaster is institutionally biased against the views of Conservative-leaning people—even though it does not understand that—I wonder why the majority in this country, who are Conservative leaning, have to pay a forced poll tax. I remember the poll tax demonstrations.

All that this little, uncontroversial Bill would do is remove all of the funding from the licence fee going to the BBC, thereby reducing the cost of the fee to, let us say, about £50, and allowing the BBC to put on other programmes if it wants—and which it should do—but funding them through product placement, resale or a small subscription. The great benefit of that is that it would bring competition into the industry. I think all Members would agree that the BBC is overmanned and that some of the other stations produce the same quality of news broadcasting for far less. The key benefit for viewers is that after the Bill becomes the fifth private Member's Bill to be enacted this Session, if they want to watch the BBC, they will find that the cost of the licence fee they are required to pay—which will be the fee for public service content for all broadcasters plus the subscription fee to the BBC—is less than the £150 that they are forced to pay now.

In concluding my opening remarks, I shall address the detail of the Bill. It is a fairly short Bill—there are only three clauses—but it is very important.

Mr David Nuttall (Bury North) (Con): Will my hon. Friend give way?

Mr Bone: I am keen to make progress, but I will give way.

Mr Nuttall: My hon. Friend mentioned at the beginning of his speech that this Bill makes one minor change to the Bill introduced in the previous Session by my hon. Friend the Member for Christchurch (Mr Chope). What is that change, what will its effect be, and why has it been made?

Mr Bone: It was remiss of me not to address that earlier, but I omitted to do so because I wanted to make swift progress. The problem I identified with the previous

Bill—and I think this is why the Minister, who was the shadow Minister at the time, did not welcome it entirely in the last debate we had on the issue—was the fact that the licence fee was stuck with the BBC. The former Bill reduced the licence fee, but that was still only paid to the BBC. Therefore, although there would be all the advantages of the licence fee being payable only for public service content—which is, in essence, what this Bill is about—it would still be restricted to the BBC alone. The new Bill changes the wording so that the measures apply to all broadcasters rather than just the BBC. The logic of that change is clear. If the licence fee is payable for public service content, it should be open to all broadcasters. Therefore, an independent local radio station—Connect FM in Northampton, for instance—would have the same right to that funding as BBC Radio Northampton. It is a very small, but a very important, change, as I hope will become clear when I address some of my more detailed points.

The Bill is essentially about public service content. That is addressed in clause 1(1), which states:

"For the purposes of the Communications Act 2003 'public service television broadcasting' shall be construed as broadcasting material with public service content, as defined in subsection (2)."

This measure gives the phrase "public service television broadcasting" in the 2003 Act a proper definition, and thereby improves that piece of legislation.

The BBC used to try to say, "Everything we do is public service broadcasting." [Interruption.] No, I am not going down that route as there are too many examples of programmes about which people would say, "That was smutty, and had no public service content." "EastEnders" is a very good programme, and I have certainly watched it more times than the new chairman of the BBC, because I think the last time he watched it was the last time he bought a McDonald's meal—I believe that is what he said to the Culture, Media and Sport Committee. "EastEnders" is entertainment, however; it is not a programme that has public service content.

Clause 1(2) addresses the core of the definition of public service content, and it states:

"'Public service content' is content which is primarily produced in the United Kingdom and which satisfies one or more of the following criteria".

I have stressed that the content should be primarily produced in the UK because if we are forcing UK taxpayers to pay a fee, the least we can do is ensure that the programmes are made in this country. That is especially the case at a time of economic crisis, but even if we were not in an economic crisis, I still think it is right that UK licence fee money should go to UK-produced programmes.

The definition of public service content is divided into four categories. The first is that

"it comprises local, national, international news or current affairs which is impartial, factual and objective."

I have spent some time outlining why some of the BBC news programmes would fall foul of that, and would therefore not get any licence fee money. However, other programmes such as "Question Time" and "Newsnight" clearly would qualify for that funding.

Something else I notice about the BBC, which, again, shows its institutional bias against anyone from the right, is that the people its news channel invites to review the newspapers are invariably lefties with some bizarre left-wing view. When is a normal citizen there? I

have never been invited on one of these programmes; I am willing to turn up and do that at some unearthly hour, but I am never asked. That institutional bias is one of the reasons I think the BBC would have a problem getting all its news output paid for by the licence fee.

The second definition of public service content is that "its primary purpose is to inform, educate or entertain children". I think most of us would agree that that is a reasonable definition. You, Mr Deputy Speaker, are far too young to remember this, but I can remember television going off air and the test card coming on the screen at 5 o'clock so children could do their homework. I am not suggesting we go back to that, but would it not be nice if we had some better children's programmes? I understand broadcasters do not want to go down that route at present because they are not commercially viable.

Christopher Pincher (Tamworth) (Con): My hon. Friend is taking us on a trip down memory lane. Would he also like televisions to broadcast in black and white, so that he can relive those memories of the 1950s?

Mr Bone: My hon. Friend looks very young, but he is obviously older than I am because I cannot remember the black and white era, and so I cannot possibly comment on whether that would be a good or bad thing.

Mr Nuttall: The go-ahead BBC still regards black and white television as being sufficiently important and relevant as to issue a separate licence to those who have black and white sets. So there clearly must be some demand for this and it would be interesting to know how many such licences are issued. One has to pay only £49 to watch in black and white, rather than £145.50.

Mr Bone: My hon. Friend makes a very good point, which may well be teased out in Committee. This very good coalition Government have a one-in, one-out policy on regulation, and my Bill removes regulation. One licence fee would disappear because the £49 licence fee would, in effect, be the only licence fee, so no matter whether someone had a black and white TV set or a colour one, they would not be discriminated against; people would certainly be paying no more than they are now, but they might be paying a great deal less. My Bill would end the bureaucracy of having two fees. That deals with clause 1(2)(b).

Clause 1(2)(c) also deals with the public service content and says that if a programme is produced primarily for "charitable or religious" reasons, licence fee money would be provided. The cost of one of the national charity appeals, for example, red nose day, would fall on the licence fee. That is perfectly fair. This approach would also open things up for other organisations, such as Sky, to put on those sorts of programmes, and so more charitable money would be raised. I do not think that many people could be against that.

I am old enough to remember when we had a lot more religious programmes. I do not confess to it, but I am a practising Christian and this is a largely Christian country, as I hope the census will confirm—I remind everyone to fill it in. Bizarrely, the census question on religion is optional—I believe it is the only one that is. That confirmation would help to demonstrate to

broadcasters the need to spend public service money on religious programmes, because the census will have proved that a lot of people want to see them.

Mr Nuttall: That is an important point, because the Bill does not try to restrict the religious content to the religion that my hon. Friend and I follow. Followers of any religion—Muslims, Hindus and those from the Jesus Christ Church of Latter-day Saints—could qualify for protection under this Bill.

Mr Bone: Indeed. My hon. Friend makes the point much better than I could. Some people will ask what the census has to do with this issue, but it has a lot to do with it because it is from that census that broadcasters will be able to determine what percentage of the population are interested in religious programmes. That is why I find it strange that the question on religion is optional on the census form.

Clause 1(2)(d) is the catch-all provision and we have to explain it in a little more detail later. It states that "the content would not otherwise be likely to be provided by the market responding to consumer demand."

It deals with programmes for which there is a very limited interest, despite the fact that they should be put on. The BBC does put such programmes on, as do some other broadcasters, although fewer and fewer are doing so. I am talking about programmes that cater for people who are interested in steam engines—I have probably picked the wrong example, because I know that they interest a lot of people. Things that would not normally attract big audiences would still be funded by the taxpayer if they were in the interests of public service.

Many questions arise from that catch-all phrase, which is why we have to deal with it a little further on in the Bill. People were saying to me that programmes that were not popular would no longer be put on, but that is not the case. People have said to me, "I understand that news, children's programmes with educational purposes and charitable and religious programmes will get the licence fee, but what if it is a programme that I really care about? How is that going to be funded? They will not put it on because it is not commercially viable." That is where clause 1(2)(d) comes in.

Such a programme might be about fishing or it might be a minority programme that eventually becomes commercially viable and has to move out of this arrangement. A very good example of that is coverage of American football. When American football first came on to British screens on Channel 4 it was very much a minority interest, although I am interested in it and I have often wondered why we do not have a NFL all-party group. Interest in the sport grew, as did the audience, and eventually Sky took on the coverage, with some of it also appearing on Channel 4 and Channel Five. Under my Bill, it would have initially been funded by the licence fee and no longer have needed any licence fee support on becoming commercially viable. Just because licence fee money would be given at the beginning to develop an interest in a particular field, it would not have to continue to be paid once the programme became commercially viable.

The problem with that provision is, of course, one of definition. I have tried to deal with that in clause 1(3), which states:

"Where the only criterion of public service content is that contained in subsection (2)(d), the judgement relating to the

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likelihood of market failure shall be made by the National Audit Office, which must publish an opinion on any matter referred to it by the Secretary of State pursuant to this section."

By the time my Bill comes in, and after the reshuffle on 6 May, I expect the Under-Secretary of State for Culture, Olympics, Media and Sport, my hon. Friend the Member for Wantage (Mr Vaizey) who is with us in the Chamber today to be the very Minister who makes these decisions, so I hope he will be paying particular attention to this provision, as he will have to deal with it.

The provision has been misunderstood. People have said that it means that the Secretary of State—or the NAO—will decide on whether to have a fishing programme or another synchronised swimming programme, but that is not its purpose. The broadcaster will be able to apply for the money from the licence fee for those programmes and that money will be given. The audit is retrospective and would deal with cases where it is felt a broadcaster was putting on something that is commercially viable, but that it had claimed under 1(2)(d) would be a market failure. The NAO is an admirable body that would be able to tell clearly whether a programme was likely to be commercially viable or whether there would be a market failure, which would account for its taking money from the licence fee pot.

To be fair to the newly promoted Secretary of State, as I shall call him, I do not think he would actually have to decide very often on this matter, because self-regulation would do the trick. To use a ridiculous example, it would be very embarrassing if the BBC applied for funding for "EastEnders", because although it would get the money, shortly afterwards the Secretary of State would make a referral to the NAO to say, "This is completely ridiculous." Self-regulation would stop such applications, because broadcasters would be hugely embarrassed if they took money from the licence fee for public service content only for the Secretary of State to refer the matter to the NAO and for it to say, "No, this is a commercially viable programme. Repay that money." The damage it would do to that broadcaster would be immense, so I think there would be self-regulation in that field.

Mr Edward Leigh (Gainsborough) (Con): On a point of order, Mr Deputy Speaker. Has there been a request from the Government for an urgent ministerial statement on the arrival of the Libyan Foreign Minister Musa Kusa? There have been reports overnight that another envoy—this time an official envoy from the Gaddafi regime—is here. These matters are of the utmost importance, because clearly we have embarked on what was to be a humanitarian mission and we are now very heavily engaged in the murky politics of Libya. What is going on? The House would like to know.

Mr Deputy Speaker (Mr Lindsay Hoyle): I have had no indication that there will be any statement.

Mr Bone: For those hon. Members who wonder why I was interrupted at this particular moment for that point of order, it is because 11 o'clock is the usual time on Friday when statements are made.

Mr Nuttall: It has been reported this morning that a Libyan Government envoy, Mohammed Ismail, has

been in the country for the past few days and I can well understand why my hon. Friend the Member for Gainsborough (Mr Leigh) made that point of order.

On the point that my hon. Friend the Member for Wellingborough (Mr Bone) was previously making, about "EastEnders", does not the fact that such programmes are covered by the BBC and paid for out of the licence fee prove the problem with the current definition of public service broadcasting? They are paid for by the licence fee, as a poll tax on everyone, whereas a programme such as "Coronation Street", which is watched by just as many people, does not receive a penny.

Mr Bone: I am very grateful to my hon. Friend for making that point. That is exactly the case. For the avoidance of doubt, I am not suggesting that the reporting of the Libyan situation by the BBC is anything other than impartial and accurate and it has clearly been able to get licence fee money for that.

I move to the part of the Bill on which I expect to get shouted down the most and get a lot of criticism—clause 1(4), which states:

"No content shall be public service content if it fails to satisfy prevailing standards of good taste".

Hon. Members might think this measure means that the National Audit Office is going to look at programmes and decide whether they are smutty, but that absolutely is not what my Bill does. My Bill says that public service content money cannot be given for programmes that do not comply with the prevailing view of what constitutes good taste and decency. It will be the prevailing view that is important. The measure would apply only if a broadcaster applied for public service content money from the licence fee for a programme. It could broadcast any other programmes it liked, within the general law of the land, but it would not get any licence fee money for producing programmes that did not meet prevailing standards of good taste and decency. It would be the British public who decided whether a programme met those standards. If only 10 people wrote in to complain about a programme, obviously the Secretary of State would not refer that case to the NAO.

Mr Leigh: I know quite a lot about the NAO, having been the Chairman of the Public Accounts Committee and having had it report to me. If I may say so, this is the weakest part of my hon. Friend's Bill, because the NAO is totally unequipped to get involved in any such policy decision. It is an audit office: it looks at the economy and efficiency of Government projects. If the Bill were to pass into Committee, I think he would have to reconsider this measure.

Mr Bone: I have been proved a prophet, Mr Deputy Speaker! Already, almost within 10 seconds of my mentioning this measure, I have been criticised by a great parliamentarian of the House. That is exactly what I said would happen. However, there is a misunderstanding, because it would not be the NAO that determined this issue, it would be public opinion. If 30 million people suddenly complained about a programme on the BBC, it would be the Secretary of State—by then, I hope, my hon. Friend the Under-Secretary will be the Secretary of State—who made that decision, but that would not happen unless there were an exceptional case.

Mr Leigh: I have to look at what the Bill says, which is that:

"the judgement relating to the likelihood of market failure shall be made by the National Audit Office".

How could the NAO, which by definition is concerned with the economy and efficiency of the public sector and Government projects, possibly make a judgment relating to the market failure of a particular programme or set of programmes? I am confused.

Mr Bone: My hon. Friend has gone back to the previous measure. Subsections (3) and (4) are not joined together; they are separate. Going back to subsection (3), I cannot imagine a situation in which there would actually be a referral, but it would not be for the NAO to refer. The Secretary of State would have to decide that a broadcaster had taken money from the licence fee pot for a commercially viable programme. That would be difficult enough for him to do, but if he were of that opinion, and I gave the clear example of "EastEnders" as a commercially viable programme, it would then be up to the NAO to make a commercial decision, not a decision on the content, on whether there might be market failure—whether that programme would not otherwise be commercially produced.

All that might be difficult and there are hurdles. First, there is the self-regulation that would prevent virtually any of these manoeuvres from having to take place. Then the Secretary of State would have to take a political decision, which would be difficult because he would not refer something to the NAO lightly. In the case of "EastEnders" or "Top Gear", for example, the NAO would come to the conclusion that they were commercially viable and would be put on elsewhere.

Jacob Rees-Mogg: Would not "Top Gear" be deemed public service broadcasting? It is highly educational, telling people about the motor car and the workings of the internal combustion engine, and it exposes some of the falsehoods in elements of the green movement.

Mr Bone: It does all those things, particularly the latter, but I am afraid it is still a commercially viable programme, so, if my Bill were passed, there would still be a "Top Gear" on the BBC. There is no doubt about that. Therefore I think that I win and my hon. Friend loses on that point.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I think we are doing quite well, but we have given "Top Gear" and "EastEnders" a good run and I am sure we could move further into the Bill now.

Mr Bone: I hope that we are making good progress, Mr Deputy Speaker. We are nearly at the end of clause 1, which is the most important, and there are only three clauses. My problem is coming up with BBC programmes that I have heard of, because I watch so few of them, but I do watch "Top Gear" and I occasionally see "EastEnders" when I am in the gym. I do not listen to it, but it is on the television, although I never understand why that is on and the Parliament channel is not. I am talking about the gym in Westminster. I am sorry Mr Deputy Speaker, but I could not think of any other programmes.

Let me return to the wording that I have already said might be the biggest problem, in clause 1(4):

"No content shall be public service content if it fails to satisfy prevailing standards of good taste and decency."

I think that would be self-regulated unless a particular broadcaster were determined to try to circumvent the Bill. The measure would not mean that other, commercially viable, programmes that broadcasters wanted to put on could not go into areas that would fall foul of the measure.

I am pleased to say that we now come to clause 2, on the payment of the licence fee. Subsection (1) says:

"No licence fee revenue shall be paid to any broadcaster by the Secretary of State for services which do not satisfy the criteria of public service content in section 1."

That is clear. An interesting point that will surprise most people is that the licence fee is not paid directly to the BBC; it is handed out by the Secretary of State, so there is no real shift under the Bill. The Secretary of State will still make the payments, but instead of all the licence fee being handed over to the BBC, it will be divvied out to different broadcasters who provide public service content.

Clause 2(2) says:

"It shall be the duty of the National Audit Office to keep under review the total cost of public service television broadcasting."

That is quite an important little subsection, because we could find—to take things to an extreme—that because there is that pot of money, all the non-BBC broadcasters apply for money to put on public service content, and the overall cost would then balloon, so the National Audit Office will keep under review the total expenditure. I say that the licence fee should come down from about £150 to about £50. That is why that provision is in clause 2. I think it will have to be developed and amended in Committee; Members might like to put some limit on the total cost of public service broadcasting, but that will be subject to the will of the House and up to the Committee.

Clause 2(3) says:

"In pursuance of its duty under subsection (2) the National Audit Office must conduct, in each calendar year after the year in which this Act is passed, a value for money audit of the expenditure incurred on the broadcasting of public service content that is funded by the licence fee payer."

That is pretty straightforward: the National Audit Office will produce a report once a year.

Mr Leigh: Will my hon. Friend allow me to intervene?

Mr Bone: With trepidation.

Mr Leigh: I am afraid that the provision is not straightforward at all, because my hon. Friend is putting at risk a campaign that we have waged for years to allow the National Audit Office to look at the BBC's books. We have said time and again that the NAO would never get involved in editorial policy; the BBC is rightly very sensitive about that. How on earth can the National Audit Office make a judgment under subsection (3) without in some way getting involved in editorial policy?

Mr Bone: Under clause 2(3), it is for the National Audit Office to determine not a programme's content, but whether the programme is made in a cost-effective

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way. For instance, if a programme on fishing is put on by the BBC at a cost of £200,000 an episode, and a similar programme is put on by Sky at a cost of £20,000, it would be for the National Audit Office to point out that figure. It would not be for it to take action, but it would refer to the fact in its audit.

That happily leads me to clause 2(4), which says:

"The results of all audits conducted under this section shall be published in reports which must be laid before both Houses of Parliament."

When my hon. Friend the Member for Gainsborough (Mr Leigh) was effectively in charge of the overall scrutiny of the National Audit Office, the most splendid reports in the House came out. The Public Accounts Committee is most powerful and informative, and I would not want to do anything in the Bill that in any way reflected badly on the National Audit Office.

Under subsection (5),

"The Secretary of State must by regulations provide for any costs incurred by the National Audit Office in the exercise of its duties under this Act to be reclaimed from licence fee revenue."

To respond to my hon. Friend the Member for Bury North (Mr Nuttall), the subsection is another addition to the previous Bill; I draw that point to the attention of the Opposition spokesmen and the Minister. We are reducing the licence fee here, but I do not want any other cost to be put on the general taxpayer. Any cost that the National Audit Office incurs will be recovered from the licence fee, so there will be no additional cost to the general taxpayer, and that is a change from the previous Bill.

Clause 2(6) says:

"Regulations under subsection (5) shall be made by statutory instrument and are subject to annulment in pursuance of a resolution of either House of Parliament."

I hope that when the Bill is in Committee, we will have those draft regulations, so that the Committee can consider them before the Bill makes further progress. That, in a nutshell, is clauses 1 and 2. I am sorry to be so brief, but there are other important Bills that we must get on to.

Clause 3 is just on the short title, commencement and extent of the Bill. The short title is in clause 3(1), which says:

"This Act may be cited as the Broadcasting (Public Service Content) Act 2011."

Even if I were sitting on the Opposition Benches, I would have difficulty criticising that part of the clause, though I might have a go. Clause 3(2) says:

"This Act shall come into force on a day to be appointed by the Secretary of State by order made by statutory instrument provided that such date shall be no later than 1 January 2012."

I have allowed plenty of time for the Bill to be passed. If the Government are so enthusiastic that they want to bring it in before 1 January 2012, they can, but we have put in place a back-stop.

Mr Nuttall: That may well be so, and I sincerely hope that the Bill does make such rapid progress, but of course it may not. It may well be held up in Committee, or in the other place. What would happen if 1 January 2012 had already passed by the time of Royal Assent?

That, of course, would also affect clause 3(1), because the title of the Act would have to be changed so that it ended with "2012".

Mr Bone: My hon. Friend makes a good point. I made a judgment call. The issue was discussed in some detail with the Clerks when I was considering the drafting. If that were to happen, the Bill would have to be amended, either in Committee or on Report. The reason that we chose 1 January 2012—this relates slightly to a debate that we had earlier this week—is that the number of days for private Members' Bills is very limited this Session. Instead of getting the 26 that we should have, we have only 17, which means that if the Bill is not further considered on one of those dates, it will be lost.

My hon. Friend makes a fair point about the situation in the other place. He also raises another good and important point; the last private Members' Bills day is 20 January 2012, so perhaps there would be an argument for pushing the date in the Bill back to after 20 January 2012. I thank him for that, and I hope that his bid to be on the Bill Committee will be noted by the business managers. I hope that every Member who has spoken gets on the Committee.

The final provision is clause 3(3), which says:

"This Act extends to England and Wales, Scotland and Northern Ireland."

I do not think that there is much doubt that the Bill, which affects the British Broadcasting Corporation, should cover the whole of Great Britain and Northern Ireland. In fact, I probably should have put "United Kingdom" in the subsection.

There is one clause that was not printed. We considered whether we had to print "notwithstanding the European Communities Act 1972", but I was told that, unbelievably, the Bill is in no way affected by the European Union.

Jacob Rees-Mogg: My hon. Friend has missed one aspect of the Bill that is undoubtedly affected by the European Union legislation. That is where it suggests that payment should be made only for programmes produced in the United Kingdom. The European Union would come down on that like a ton of bricks.

Mr Bone: Ah! I should not have taken that intervention. My hon. Friend raises an interesting point that I may not have thought of. The Bill is certainly not a ploy to cause any trouble between the House and the European Union. I hope that we would be at one on the matter. In defence, all I can say is that when the Bill comes into effect on 1 January 2012, I do not believe that the United Kingdom will be in the European Union.

11.20 am

Mr Edward Leigh (Gainsborough) (Con): I congratulate my hon. Friend the Member for Wellingborough (Mr Bone) on speaking so eloquently on the Bill. He has done a public service. Although we all know that the life of private Members' Bills is nasty, brutish and short, and we must be realistic about the prospect of such a Bill ever becoming law, it is important that the BBC becomes aware of the strong opinion in Parliament about the way it is funded.

The licence fee paid by the taxpayer is, in effect, a poll tax on the entire population. There is no way of avoiding it, except by not having a television set. Such a tax should provide for public service broadcasting. The

definitions in the Bill are not perfect, but they do at least open up a debate on what constitutes public service broadcasting. If we are going to fund television and radio from the taxpayer, it is justifiable to ask whether game shows or programmes such as "EastEnders" are public service broadcasting or whether they are perfectly acceptable programmes, made according to consumer demand, that could be funded in many other ways. One of the purposes of the Bill will be to put pressure on the BBC to justify the nature of its public service broadcasting.

The list in clause 1 is not exhaustive, but it is sensible. There is no doubt that public service broadcasting comprises news and current affairs, programmes that

"inform, educate or entertain children",

and charitable and religious programmes, but there are other programmes that could be considered to be public service broadcasting. For instance, if the BBC produces a major costume drama based on a Dickens novel, is that public service broadcasting? I would argue that it is. Or if the BBC produces opera, symphonic music or anything like that, I would argue that that is all public service broadcasting because many such programmes would not be commercially viable unless they were supported by some subsidy.

I accept that that argument could be dealt with in Committee. I hope my hon. Friend and the House will recognise that all these are value judgments. That is where a Bill such as this might get into some difficulty. Is it for the House to impose on a broadcaster its own value judgments of what is in the public interest?

That leads me to the points that I have been making in interventions about the National Audit Office. I do not intend to delay the House very long. I want to make the point as strongly as I can. In that respect, my hon. Friend is in severe difficulties. The BBC has said all along that its entire ethos is that it is independent of the Executive. That is absolutely right. Nobody here wants the Executive or Parliament in any way to interfere to the slightest extent with the editorial content of the BBC. We all know that in other countries public service broadcasting has been manipulated by regimes to support the regime. We must make it clear in the debate that nobody—I hope—on our Front Bench, on the Opposition Front Bench or even on the Back Benches is trying to tell the BBC what sort of programmes it should put on and what should be in those programmes. It is not for us as politicians to do that.

Parliament is surely entitled, however, to say that as that organisation is funded by tax—a licence fee, a poll tax—we want to make sure that we get value for money, and that the organisation is run, in the words of the National Audit Office Act 1983, in a way that is economic and efficient. That is why, for years, my hon. Friend the Member for South Norfolk (Mr Bacon), whom I see in the Chamber, and I, sitting on the Public Accounts Committee, have been running a campaign, which at last is meeting with some success, arguing that it is wrong that the BBC, virtually alone among Government-funded organisations, does not have any parliamentary controls over its expenditure.

That has been a long-running campaign and the BBC constantly resisted us, saying that that was the thin end of the wedge. It argued that we would start by asking questions about whether a studio was run properly in terms of its lighting or whatever, whether it was efficiently

run, whether a private finance initiative project was run efficiently or whether a building was procured efficiently. "You will start with that, o Parliament," the BBC says, "but—thin end of the wedge—you will eventually want to get involved in the editorial content. You'll be summoning the director-general and saying that some programme was too left-wing or too right-wing."

We finally won that argument, and we said yes, the National Audit Office should be allowed to audit the BBC. My hon. Friend the Member for Wellingborough, who is a friend as well as a colleague, is in some difficulties here. I was not persuaded by the replies that he gave me. Clause 1(2) states:

"Public service content" is content which is primarily produced in the United Kingdom and which satisfies one or more of the following criteria—

It could be religious, educational and so on. Then we come to subsection (2)(d), which says

"The content would not otherwise be likely to be provided by the market responding to consumer demand"

and subsection (3), which states:

"Where the only criterion of public service content is that contained in subsection (2)(d), the judgement relating to the likelihood of market failure shall be made by the National Audit Office"

The National Audit Office is composed of some 800 highly skilled people. Their job is concerned with the public sector. They are not qualified to deal with the concept of market failure in a broadcasting organisation.

Mr Nuttall: My hon. Friend makes a valid point. I appreciate his long experience of dealing with the National Audit Office. Does he think there would be scope for the NAO to establish as a separate unit, perhaps, with new employees who have the necessary experience to perform that role, based in the general office? Is that a possibility?

Mr Leigh: That is a helpful intervention because it takes me on to my next point. A couple of weeks ago the House did me the great honour of electing me as the Chairman of the Public Accounts Commission—not the Committee, but the commission. Members may not be aware of this, but it is very important that the National Audit Office budget is not controlled by the Treasury, because of course the NAO audits Government Departments. We do not want the situation that arises in other countries, where the Treasury gets its fingers on the budget of the National Audit Office. We, as a commission and a Committee of the House, keep a close eye on the overall budget of the National Audit Office.

My hon. Friend lightly throws into the pot the suggestion that we set up a new unit in the NAO, employ more people and increase its budget. There is a price to pay for all this. How many people will the National Audit Office have to employ to carry out its duties under the Bill? Those duties could be quite onerous.

I think that we are in very dangerous territory, because bit by bit we are dragging the National Audit Office into editorial policy. It is difficult to determine the possibility of market failure without judging whether a programme is likely to be a success in the marketplace, and how is such a judgment to be made without judging the editorial content? I am very sympathetic to what my hon. Friend the Member for Wellingborough is trying to do in the Bill, and I think that the whole House

[Mr Leigh]

would like to apply more pressure on the BBC to use taxpayers' money to produce more serious programmes, but I hope that he will not put at risk the campaign that is now nearing fruition. The current Secretary of State for Culture, Media and Sport has been part of that campaign, and he made a commitment in the Conservative party manifesto—it was repeated in the Labour party manifesto—that for the first time the BBC's finances, but not editorial policy, would be subject to the National Audit Office and, therefore, to Parliament.

My hon. Friend gets into even more trouble in clause 2(3), which states:

"In pursuance of its duty under subsections (2) the National Audit Office must conduct, in each calendar year after the year in which this Act is passed, a value for money audit of the expenditure incurred on the broadcasting of public service content".

I would like to know exactly what he means, because value for money is really a term of art in these matters. It means looking at how efficiently a contract was procured, how many staff were employed and what were the finances for it, but is he suggesting—perhaps he is not—that the value for money in some sense will relate to whether the programmes are of interest to the public and have public service content?

Mr Bone: Will my hon. Friend give way?

Mr Leigh: I will give way in a moment.

If that is the case, I would have thought that that is directly asking the editorial question, "Is this programme of value to the public or sheer amusement? Is it educational, religious, charitable, news, or is it a programme that is intended simply to entertain?" There again we are in very dangerous territory. I am sure that my hon. Friend can reassure me that that is not his intention.

Mr Bone: It is indeed the former, not the later. It is whether the cost of production is value for money. It is in no way intended to be an interpretation of the value of the content. That will need to be clarified further in Committee.

Mr Leigh: My hon. Friend assures me, so I think that we are now getting to a stage where, as a result of my previous interventions and what I have said so far in my speech, the National Audit Office is gradually retreating from the Bill. That is fine, but there is another problem: who will make a judgment on what is public service content? That could be a very fraught issue indeed. Apparently, it will not now be the National Audit Office. It is at least generally independent, but for the reasons I have argued it is not right that it should do it. Will it now be the Secretary of State? With that, we are in even more dangerous territory—I see the Minister sitting on the Front Bench. Would it be for the Secretary of State, a politician, to start making judgments on what is or is not public service content? That could be very dangerous.

I can foresee the arguments that the BBC would use if the Bill were to come close to becoming law. It would say that it is a world-class broadcaster that is known to be generally independent and that produces high-quality programmes. Were the Bill to become law, we would move into an era when politicians would get their sticky

fingers on determining what programmes were shown on the BBC. My hon. Friend shakes his head, but I am sure he will recognise that those are precisely the arguments that the BBC would use. If he wishes to intervene he may do so, because it is very important that he makes the point that there is absolutely no question of Parliament, politicians or the Government getting involved in any way in what is shown on the BBC. Before he gives too facile an answer, I say to him that he will know that money is everything, and were the Bill to become law the BBC would obviously want as many of its programmes as possible to be deemed to be of public service content, because they would be financed by the licence payer. There would undoubtedly be borderline areas where it was not entirely clear whether a programme had public service content or was sheer entertainment.

Mr Bone: My hon. Friend is getting to a really important point. He is absolutely right on this issue, but the process will be self-regulating and will be done by the self-regulator. We are talking about not only the BBC, but all broadcasters. It is rather like the Independent Parliamentary Standards Authority. No Member would dare to claim for anything now that was even borderline; they would make sure that they got it right. If someone did not do so, they would be exposed. The point is that it is self-regulation, and the fact is that they would be terribly embarrassed if anything was ever referred.

Mr Leigh: I am grateful for the reassurance that my hon. Friend is attempting to give me, but may I say, with respect to him, that it is not entirely convincing? Many of those judgments are subjective, particularly in the world of broadcasting and entertainment. I hope that he does not think that I am being unduly negative. I am simply using the opportunity of this speech to ask some questions and make some points.

Before sitting down, I want to say that I believe very strongly that my hon. Friend the Members for Christchurch (Mr Chope) and for Wellingborough have done a service, because it is very important that the BBC is aware that there is considerable feeling in Parliament that there might be alternatives to the present structure. Is it right that the licence fee, which is paid for by the taxpayer, should just fund entertainment? The taxpayer should fund programmes that are educational and definitely concerned with public sector information, but in the modern world there are so many other broadcasters and possibilities. My hon. Friend is right to make that point.

The BBC has become a vast tree and all other broadcasters are in its shade. Public sector programmes are declining in value and content. We know that independent broadcasters are under enormous pressure. One need only compare the quality of the weather forecasts on the BBC with those on independent channels to know that much more money, resources and expertise go into those on the BBC. Undoubtedly, independent television is under enormous pressure to try to produce high-quality programmes. It would be an entirely positive step if some of the licence fee could be diverted to them. That would aid competition and ensure an explosion of new and interesting programmes, including educational and religious programmes, not only from the BBC but from independent broadcasters.

I hope that my hon. Friend does not think that I am unduly negative, as I am strongly in favour of opening up the entire debate. I do not believe that the BBC's funding structure should be set in stone. What was appropriate for the 1930s or 1950s may not be appropriate for 2015, 2020 or 2025. It may well be the case in future that the BBC's entertainment programmes should be funded by subscription, advertisements or other means. The Bill is an important first step in raising the profile of those arguments, and I congratulate my hon. Friend on introducing it and on speaking on support of it.

11.39 am

Gloria De Piero (Ashfield) (Lab): The Opposition do not accept the narrow definition proposed by the hon. Member for Wellingborough (Mr Bone) of public service broadcasting. If his proposals were to succeed, many valuable, worthwhile and popular BBC programmes would be lost.

The BBC must continue to offer a broad mix of programming that appeals to everyone who pays the licence fee. The hon. Gentleman is wrong to suggest that licence fee payers are happy only to pay for "Newsnight", "Blue Peter" and Radio 3. I want the BBC to do more than that because, as the hon. Member for Gainsborough (Mr Leigh) highlighted, where do we draw the line between what is informative and what is entertaining—programmes such as "Dragons' Den", "The Apprentice", "Human Planet" and Brian Cox's "Wonders of the Universe"?

Mr Nuttall: I hear what the hon. Lady is saying, but can she give the House any examples of programmes made by the BBC that would not be provided for and would not be paid for under her definition?

Gloria De Piero: It would be dangerous for politicians, including hon. Members, to begin to tell the BBC what programmes they should or should not broadcast. The BBC's editorial independence has long been cherished, and that must continue. Programmes such as "Dragons' Den", "The Apprentice", "Human Planet" and Brian Cox's "Wonders of the Universe" have shown that it is possible to make business, anthropology and astrophysics appeal to a mass audience.

We continue to believe that a broad-based BBC fulfilling all of Lord Reith's original mission to "inform, educate and entertain" remains the best way to preserve the public service broadcasting that is a hallmark of our society. Many people say that if they were to leave the country, alongside a decent cup of tea and Marmite, it is our TV and radio, particularly the BBC, that they would miss most.

I do not believe, unlike the hon. Member for Wellingborough, in a cod liver oil BBC—it is good for you, but it might not always taste nice and it is a bit of a chore to take it. That is not the way forward, and it would be a serious mistake. While I celebrate the BBC, I am not uncritical of it. This debate plays an important role in expressing to the corporation views on how it can redefine and develop its role. While the Opposition rigorously defend and promote the BBC, we will continue to be at the forefront of pressing it to be more transparent and accountable, and to work even harder to ensure that every pound of the licence fee spent delivers maximum value on the airwaves for licence fee payers.

I can agree with the hon. Gentleman about the value of the BBC's current affairs programming. My own story can perhaps provide a little insight into my views on the issue. I grew up in a working-class family in Bradford, far from the corridors of power and with no first-hand experience of how the world of politics worked. It was through the BBC, particularly its quality current affairs programmes, that I learned how the country was run. As a Yorkshire teenager, I might not have been as politically obsessed as the Foreign Secretary, but as a 17-year-old who wanted to make a difference I sat and watched programmes such as "On The Record". Those programmes took me into worlds which I would never otherwise have known about.

Mr Bone: The hon. Lady is making a powerful speech, and I am sorry that she does not support the Bill—but if Front-Bench speakers do not support my Bill, I know that it is totally right. Does she accept, however, that she has proved my point? The BBC is institutionally biased towards the left, because she was attracted to politics by the BBC.

Gloria De Piero: I am grateful for that intervention, because it gives me the opportunity to say that the Education Secretary worked on "On The Record". As far as I am aware, he has never been described as a raving leftie.

Mr Bacon: He has also been on "The Moral Maze".

Gloria De Piero: Indeed. Those programmes took me into worlds that I would never otherwise have known about. They showed me how the levers of power worked and they even managed not to put me off wanting to continue in politics. In fact, before coming to the House I spent many years working at "On The Record", devising questions for John Humphrys to use to skewer Members of Parliament.

Although political programmes such as "On The Record" are vital, nobody would suggest that the sole aim of the BBC should be to appeal to politically obsessed 17-year-olds. That is why I want to take issue with another flaw in the Bill. I believe that the BBC should also produce entertaining programming. It is absurd to suggest that these entertaining programmes can suddenly be pulled out of a hat when the market walks away from this or that genre. At the moment, commercial television is having a comedy heyday with brilliant, award-winning programmes such as "Harry Hill's TV Burp", "Shameless" and "Benidorm", but there have been times when the market has not produced brilliant comedy. I am glad that when the market was not at its best, the BBC was able to continue to provide the nation's laughs. Knowing how programmes are developed and commissioned, I can tell the hon. Member for Wellingborough that brilliant comedy formats are not made overnight; it is not as easy as turning on a tap to provide a stream of programmes that can immediately fill a supposed gap in the market.

Drama is conspicuous by its absence from the Bill. Take this month's stunning BBC Four adaptation of "Women In Love", for example. I have to declare a bias, given that I am proud to represent D. H. Lawrence's home town of Eastwood. The series concluded last night, and the book was brilliantly adapted by

[Gloria De Piero]

Nottinghamshire writer Billy Ivory of "Made In Dagenham" fame. If we really want to talk about improving public service broadcasting, we should let the BBC do more to inspire new British talent. As Billy Ivory reminded me the other day, single dramas like "Play for Today" and "Screen Two", which many hon. Members will remember, were vital in giving young screenwriters their first break. Ken Loach, Mike Leigh and Stephen Frears were part of a whole generation of the brightest and best writing and directing talent who cut their teeth on "Play for Today" and went on to define British cinema in the decades that followed. I would like the BBC to do more to ensure that it provides the space for the aspiring writers and actors who will be the stars of the future.

In conclusion, we do not agree with the narrow definition of what constitutes public service broadcasting. We believe that the licence fee should not only continue to fund news, current affairs, children's and religious programming, but should be used to allow the BBC to continue to offer the mix of drama, science, documentaries, entertainment and sport that make it the envy of the world. I am confident that the House will join me in rejecting the hon. Gentleman's wrong-headed proposition. It is wrong on so many counts. Turning the BBC into a graveyard for programmes that politicians think are important is not the answer and, crucially, it is not what the British people want.

11.47 am

Christopher Pincher (Tamworth) (Con): May I say how pleasing, if not ironic, it is that in a debate on the future of broadcasting the Member introducing the Bill—my hon. Friend the Member for Wellingborough (Mr Bone)—should be a virtual promoter, and not the actual promoter, who is my hon. Friend the Member for Christchurch (Mr Chope)?

I had some sympathy with the Bill when I first read it, and I had some sympathy with it when I first heard my hon. Friend the Member for Wellingborough speak. However, as his speech went on, I lost some of my sympathy. The Reithian principles underpinning the BBC to "inform, educate and entertain" have changed down the years, and the BBC itself is no longer the colossus of information that it used to be. Sundays no longer stop for "Hancock's Half Hour" as they did in the 1950s and we do not all sit down to "Morecambe and Wise" on Christmas day as we did in the 1970s. The BBC provided those programmes. Today, young people in particular get their information, news and entertainment from a diverse set of media, largely digital. The BBC needs to take account of that.

However, I was concerned that one reason my hon. Friend gave for not scrapping but reducing the licence fee was that a gang of little armies in the BBC visit recalcitrant licence payers, saying, "I'll be back—until you pay." That is no reason for saying *hasta la vista* to the BBC, which, I think, the Bill is designed to achieve.

I am uncomfortable with the Bill especially because of the definition of public service content. I was particularly struck by the speech of my hon. Friend the Member for Gainsborough (Mr Leigh), which cannot be improved on, and his consideration of what public sector broadcasting

is and the fact that any definition is subjective. One man's demotic entertainment is another man's vital public service.

Who is to say what constitutes that vital public service? For example, is satire a public service? Some of us here might not think that it is, but many of our constituents may believe that satire is a vital public service. What about "Lark Rise to Candleford"? I personally think that it is one of the most tedious and interminable programmes on the BBC, but others may say, "It's educational and should be provided free of charge." My hon. Friend the Member for North East Somerset (Jacob Rees-Mogg) mentioned "Top Gear". Some may say that it is childish and inane, whereas others may say that Jeremy Clarkson is a national treasure who should be preserved, and that the programme is a public service that should be provided free of charge. What about "Just a Minute" on the radio? My hon. Friend the Member for Wellingborough spoke for not one minute without hesitation, deviation or repetition, but about 67. Is that programme just a bit of fun or does it provide listeners with a good educational service, which improves their English if nothing else?

Mr Bone: I must leap to my feet. My hon. Friend is on dangerous ground when he talks about "Just a Minute". I must warn him that it is my wife's favourite programme.

Christopher Pincher: I leap to its defence. I am a great fan of "Just a Minute" and I want it to continue and Nicholas Parsons to remain in the chair for as long as possible. I certainly do not want it taken off the air because some people say that it is not public service broadcasting, that it should pay its own way and, if it cannot, that it should go.

My hon. Friend mentioned "Test Match Special". Does he think that it is impartial? I would say that it is not. When England play Australia, Aggers is particularly partial. Would my hon. Friend therefore strike the programme from the list of public service broadcasting? I hope that he would not. He seemed to say that he supported it.

My hon. Friend appears to want to turn the Secretary of State, the National Audit Office or both into some sort of latter-day Lord Chamberlain's Office, to adjudicate on what is appropriate for public service broadcasting. We could end up with programme makers, uncertain about whether the programme that they wish to put on air will qualify for public service subsidy, going script in hand to the Secretary of State, saying, "Here you are, sir. Read this. Do you think you'll give us the money for it?" That would put the Secretary of State or the NAO in an invidious position. Neither are equipped for that role and they should not be asked to undertake it.

On the basis that I do not think that we can properly define public service and that the Secretary of State or the NAO should not be responsible for deciding what is aired and what is paid for, I oppose the Bill. I would rather have Lord Patten, who is a big man who can take it on the chin, trying to sort out the BBC, and my hon. Friend the Member for Gainsborough examining closely the way in which the BBC spends our money—how much more than other broadcasters it spends on sending journalists and technicians off, for example, to the Olympics or to Libya—than try to interfere in editorial content.

I hope that my hon. Friend the Member for Wellingborough understands my reasons for opposing the Bill and that he will consider withdrawing his support for it.

11.54 am

Mr David Nuttall (Bury North) (Con): It is always a pleasure to follow my hon. Friend the Member for Tamworth (Christopher Pincher). I wanted to comment further on what the hon. Member for Ashfield (Gloria De Piero), who has just left the Chamber, said. Like her, I grew up in Yorkshire, albeit not in Bradford, but in Rotherham in south Yorkshire. Also like her, I gathered a lot of political news from the BBC in my earlier years. I remember watching the great Brian Walden on a Sunday lunchtime. I hope it is not too embarrassing to say that in some ways, I rather looked forward to his interviews and his tremendous style. It was a great pleasure to me that as I progressed in politics, I had the opportunity to meet him in person and to listen to him at greater length. I am glad that he is now far more supportive of Conservative views than perhaps he was when a Labour Member of Parliament. Nevertheless, he was a great interviewer.

I have that in common with the shadow Minister, but at the outset, my hon. Friend the Member for Wellingborough (Mr Bone), who so ably moved the Second Reading motion, mentioned Dan Hannan's successful viral video, which had 2 million or 3 million hits from around the world. As my hon. Friend said, on Second Reading of a similar Bill in 2009, it was mentioned that that story was covered by the BBC not at the time, but two days later, when Mr Hannan, a Member of the European Parliament, was interviewed on the BBC not because of the speech itself, but because of the coverage that it received on YouTube. With typical modesty, Mr Hannan said that he was completely perplexed and slightly stunned by the global reaction to his speech, but many licence fee payers would have been completely perplexed and slightly stunned by the fact that Mr Mardell, the reporter who covered the story, had not felt it necessary or appropriate to cover the speech in his report from Strasbourg on the day when it was made.

I shall not stand here this morning and launch a diatribe against the BBC—far from it. I have no axe to grind against the BBC, which does the job that it was set up to do. In many ways, the problem is historical and lies with the legislation. Many good people work in the BBC, and day in, day out, carry out their duties to the best of their ability. I do not see it as my job to attack the BBC.

Debates on such matters often turn into a debate on whether one is pro or anti-BBC, but I want to approach it from the point of the view of the public. What is best for the public? What is best for an average family sitting at home? What do they want from their television set and radio?

We are moving to a completely new set-up for the whole of broadcasting, which is why I think this debate is so timely and important. The licence fee dates back to an era when broadcasting was new and cutting-edge technology, and I can well understand why it was necessary for it to receive public help. It was sensible for Parliament at the time to say, "Look, if this new technology is to get off the ground, it needs help and something to push it along", and so the licence fee was born. It started life

modestly. I think that the first licence fee, back in the early '20s, was just a few shillings. It then developed over the years to what it is today. The first licence fee was for a radio—of course, there was no television when it was introduced—and was just 10 shillings in November 1922. The first television licence fee was £2, the first colour licence fee, which was introduced in 1968, was £10, and today it is £145.50.

I pay tribute to the Secretary of State for ensuring that the licence fee will be frozen for the next six years. When it comes down to the household budget, that will be of great benefit, certainly to all of my constituents.

Mr Bone: As usual, my hon. Friend is making a powerful speech. I would have to disagree with him on one thing though. How can it be right that when every other public service has to make cuts, the BBC only has to freeze its spending? That does not seem fair to me.

Mr Nuttall: There is that point. One might ask why it was not asked to reduce the licence fee, but it did take on additional responsibilities, as I understand it. That was covered in the letter from the Secretary of State to Sir Michael Lyons in which he reaffirmed the Government's respect for the BBC's editorial and operational independence, but made it clear that, as part of the new settlement, the BBC would have to provide funding for new broadcasting activities. That includes local media, to which I will return later. However, the thing that has received most publicity is that it will take over funding for the World Service, BBC Monitoring and S4C. So the Government have asked the BBC to take on new responsibilities, so, in effect, there will be a reduction.

There is, however, plenty of scope for cuts to the BBC's budget. The amounts involved are eye-watering. I realise that £145.50 does not sound like very much. People would think, "That's pretty good value, isn't it?" It might well be good value, but the point is that it is multiplied across the whole nation. Let us consider houses split into separate flats and households: Each needs a separate television licence. In large cities, such as Sheffield, Manchester and London, there are houses that have been divided into flats, and there could be six, eight, 10 or even more individual units, each paying a £145.50. It is therefore quite feasible for the BBC to receive more than £1,000 from just one small block.

It is also notable that the licence fee has never gone down. Most technologies are expensive to start with, but as more and more people are drawn into the market, the costs come down.

Christopher Pincher: Does my hon. Friend accept that although the price of the licence fee has not gone down, its cost as a proportion of individuals' incomes has?

Mr Nuttall: I do not know what the relative cost of a 10 shilling licence was as a proportion of weekly income in—

Christopher Pincher: The average weekly income in 1922 was between £2 and £3.

Mr Nuttall: So yes, on that basis, the licence fee is probably more affordable now. However, that is not to say that my underlying point about the wealth, assets and financial power of the BBC is not entirely valid.

[Mr Nuttall]

Indeed, it might benefit the House to look at how, in very broad terms, the licence fee was spent in 2009-10 and how that equates to a monthly cost for each household. For example, the cost of the television service—which covers the main BBC channels, CBBC, CBeebies, BBC News, BBC Parliament, the HD service and the red button service—was £2.351 billion. That means that two thirds of the licence fee went on television. The radio service—Radios 1, 2, 3, 4, 5, 6 and 7—took up 17% of the licence fee, at a cost of £604 million. Online services—BBC online, iPlayer and BBC Mobile—cost £199 million, at 6% of the fee. One might think, “Well, what’s left?”, but under the final heading, “Other”, £406 million was spent on, for instance, “digital”, investing in new technology—one might ask what that has to do with public service broadcasting—running costs and collecting the licence fee. To break that down into monthly costs for each household, the television service costs £7.85, radio costs £2.01, online services cost 67p, and “Other”, including collection, costs £1.35. Those are important figures to bear in mind for what I will say later about what I see as the future of broadcasting in this country.

Since its early days, the BBC has developed because it has benefited from a constant, annual, fixed flow of income. It has not had to worry about marketing its services—although it has, of course, through BBC Worldwide and its commercial arms. Indeed, in many ways, part of the problem is that the BBC has been encouraged to become more than just a public service broadcaster, and is now a quasi-commercial animal. It sells its programmes around the world and takes on new roles all the time. Incidentally, I have never been convinced that it was necessary—and no one has been able to explain to me why it was necessary—for the BBC, a broadcaster, to purchase the Lonely Planet travel guides. But we do not want to turn this into a debate about what is right and wrong with the BBC. It performs an excellent role, but the future is surely going to be more about the local TV network, which this Government are doing so much to develop. That is why I support the Bill. Under the terms of the settlement, only a small amount of money will go from the licence fee into local television. I think that it is about £200 million, which is small beer when we consider that the BBC’s total income is £3.5 billion. I honestly think that it could afford to do much more than that.

It has been pointed out that the licence fee is the equivalent of a poll tax, in that anyone who has a television has no choice about paying it. In return for paying it, they are guaranteed a certain level of programming from the BBC, based on the Communications Act 2003, which contains the crucial requirement that the broadcast programmes of the BBC must comply with section 264 of the Act. This is central to our debate today, because the definition of public service broadcasting lies at the root of the problem, as I said in an earlier intervention.

The problem is that section 264 is drafted so widely that it covers virtually everything. I cannot think of anything that would not be covered by it. Subsection (4) of the provision states:

“(4) The purposes of public service television broadcasting in the United Kingdom are—

(a) the provision of relevant television services which secure that programmes dealing with a wide range of subject-matters are made available for viewing;

(b) the provision of relevant television services in a manner which (having regard to the days on which they are shown and the times of day at which they are shown) is likely to meet the needs and satisfy the interests of as many different audiences as practicable;

(c) the provision of relevant television services which (taken together and having regard to the same matters) are properly balanced, so far as their nature and subject-matters are concerned, for meeting the needs and satisfying the interests of the available audiences; and

(d) the provision of relevant television services which (taken together) maintain high general standards with respect to the programmes included in them, and, in particular with respect to—

(i) the contents of the programmes;

(ii) the quality of the programme making; and

(iii) the professional skill and editorial integrity applied in the making of the programmes.”

Subsection (6) states:

“(6) A manner of fulfilling the purposes of public service television broadcasting in the United Kingdom is compatible with this subsection if it ensures—

(a) that the relevant television services (taken together) comprise a public service for the dissemination of information and for the provision of education and entertainment;

(b) that cultural activity in the United Kingdom, and its diversity, are reflected, supported and stimulated by the representation in those services (taken together) of drama, comedy and music”.

Given that statutory definition, it is not surprising that the BBC is able to broadcast anything it can think of.

It was said earlier that it is not for politicians to define public service broadcasting, but with great respect to those who said that, I contend that that is exactly what politicians have tried to do. If someone has to do the defining, who else could it be other than politicians who are elected to this place to make those sorts of judgments? What matters is that, having provided the definition, we then give broadcasters the independence and freedom to make programmes that comply with the terms that we have set down.

The definition in clause 1(2) is much narrower. It mentions the importance of “impartial, factual and objective” as well as

“local, national, international news and current affairs”

programmes. It also refers to the purpose of informing, educating and entertaining of children and programmes whose

“primary content is charitable or religious”.

That is perfectly adequate to cover those areas that might not properly be provided for in the competitive marketplace.

We are where we are with broadcasting. Although the BBC strides the stage like a colossus in broadcasting in this country, fortunately it has not completely shut out other broadcasters. These other broadcasters are, however, shut out from having any share of the licence fee. That is why I support the Bill. It cannot be right that a small, independent broadcaster that wanted to put on, for example, a religious programme on a Sunday afternoon which might attract only a few thousand people should be excluded from access to the vast funds that the BBC has simply because of how our broadcasting system is established.

I support the Government's actions in trying to introduce more diversity into our television network. I suspect that, in years to come, this whole debate will become completely out of date and irrelevant. We are already seeing the morphing of television and the internet into one, seamless product. Already, high-end, top-level specification televisions are being introduced with the ability to take in content down the line from the internet. I have a television that can be plugged into the internet to download extra things, but I am not proficient enough to be quite there yet. We all will be, however, in years to come. Perhaps if I did not spend as much time on my feet in this place and went home to fiddle with my telly for a few hours, I would be able to do that. I see the Minister nodding.

All that brings enormous challenges to the BBC. If I were looking at it from the BBC's point of view, I would say, "Look, in future, how are we going to be able to raise our revenue when nobody will really want to bother with a licence fee?" It will be considered more and more anachronistic as time goes on. It will become out of date and out of place in modern, 21st-century Britain.

Television will eventually have a series of online channels that will be accessed through broadband and provided by a range of organisations. People may well access them by means of a code or a special encrypted key for which they will pay a small subscription fee, and which may be connected with an individual provider or even an individual programme. Someone might, for example, be interested in "Test Match Special", as I am. There would be nothing to prevent "Test Match Special" from being made available, perhaps not by the BBC but by A. N. Other organisation, which would charge a small subscription fee to those who wanted to access it through their digital radios—which are becoming far more common, and are installed in most modern vehicles almost as a matter of course—through their televisions, though long wave, or online through their computers.

That strikes me as an entirely feasible funding model. If people were not paying £145 a year for a licence, they would be able to choose which programmes to watch and to subscribe to on a much more interest and subject-specific basis. At present there is a "one size fits all" arrangement whereby people must pay for everything, whether they are interested in it or not and whether they watch it or not.

Let us be honest about this. The figures that I read out earlier show that a vast proportion of the billions that go into the BBC each year is spent on programmes that are not, by any stretch of the imagination, what most people outside the House would regard as public service broadcasting. I have already mentioned soap operas such as "EastEnders" and "Coronation Street", and I will not pursue that line again, but I will say that, by definition, the very fact that soap operas are so popular and attract millions of viewers means that they are capable of standing on their own two feet.

Mr Bone: I will not press you on the fact that we are now going into repeats, Mr Deputy Speaker.

Does not the definition of a soap opera make it clear that it cannot constitute public service content? Soap operas were introduced in the first place to advertise a washing powder on television.

Mr Nuttall: I know that I look old, but I must admit that I do not remember that. Indeed, I was not aware of it. It is interesting to learn why they are called soap operas. I always wondered why it was. That is well worth knowing.

There is a huge amount of content on the BBC that most people outside the House would not consider to be part of the public service remit. It is worth examining the definition of public service broadcasting in more detail, and it is worth looking at how other countries deal with the issue, because the problems that we are discussing are not unique to this country.

An independent media is part and parcel of any free democracy. People always think about newspapers in this respect, of course, and talk about "the free press", but it is not just about the free press nowadays; rather, it is about free broadcasters. It is often considered to be one of the defining qualities of a banana republic or a dictatorship that the Government have seized control of the state broadcaster. I well understand the points made earlier that we, as politicians, do not want to go down that route; of course we do not. The way to stop that happening, however, is to allow a diversity of broadcasters, each of whom if necessary would—as the Bill allows—be able to receive small sums in funding. I am talking here not about billions of pounds, but about perhaps £20 million or £30 million.

Let us consider how many separate public service broadcasters we could therefore have in this country. That is a tremendous vision; it is a vision for the 21st and the 22nd centuries. There could be dozens of broadcasters, and they would, perhaps, be broadcasting in a different way from in the past: not over the television, but via the internet—and, increasingly, the mobile internet. People will therefore be watching these different providers as they go about their daily lives.

That points to an issue that I might address after I have finished my opening remarks. In the past, if someone watched a show on television on a Saturday night, they could be pretty sure on the Monday morning when they went into school or work that almost everybody else had also watched it. However, we have now already reached a situation where there are so many TV channels that the odds are that no one else has watched that show, because what takes one person's fancy to watch of an evening will most probably be different from what takes someone else's fancy to watch.

Some people, including me, have not even subscribed to Sky television. Therefore, if someone talks to me about a Sky programme that they have watched, I will not have been able to see it because I do not have a Sky box. That is my choice, however; I have chosen not to subscribe.

However, I might choose to subscribe under certain circumstances. The programmes the BBC no longer broadcasts that I miss most are the cricket test matches. A process was gone through, and they were bought up by a different broadcaster. I accept that, but one of the problems with the power and might of the BBC is that it can very often bid up the prices far more than a small broadcaster could afford. Nevertheless, live television coverage of the test matches has been lost from terrestrial TV. Although there is still the highlights package, which is available in the evening, ball-by-ball coverage has now gone to Sky, and I have no problem with that. However, if the cricket was available as a package on its

[Mr Nuttall]

own, so we could pay just for the Sky cricket content rather than the whole sports package, I might be interested in subscribing.

We have seen that development in horse racing. There are now channels specifically for horse racing. This is relevant because our debate is about the future of broadcasting. At present, horse racing is also on the BBC, however. The BBC uses some of the taxpayers' licence fee to pay for the cost of broadcasting horse racing, and it is directly competing with other broadcasters such as the At The Races channel. That channel might like to broadcast the Cheltenham gold cup, the grand national and other major races.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We are now getting into too much programme detail. We have touched on cricket, horse racing and "EastEnders", and I recognise they may all be important, but we now need to turn to the content of the Bill.

Mr Nuttall: Hon. Members have raised the question of public service, and it may well be that sport does not fall into that category, although as a matter of fact these things are being dealt with at the moment.

I wish briefly to examine the arrangements in some other countries, which have struggled to tackle this problem of how to deal with paying for an independent broadcaster. In Pakistan, the public broadcaster is a state-owned corporation—the Pakistan Broadcasting Corporation—which was funded publicly through money obtained from television, radio and video cassette recorder licensing. Its Radio Pakistan has stations covering all the major cities and 80% of the country, serving 95.5 million listeners, which is more than we have in the UK. It also has its own world service, broadcasting in seven languages daily.

Sadly, events in Japan have meant that the Japanese station that many of us have been able to see recently, as it has shown the coverage following the earthquake and tsunami, is its main public broadcaster, NHK—the Japan Broadcasting Corporation. Many English speakers often refer to it informally as "Radio Tokyo". It was set up in 1926 and was modelled on the BBC. It is funded by a receiving fee paid by every Japanese household, it has no commercial advertising and it maintains a position of strict political impartiality.

Malaysia has a public service broadcaster that is entirely state-owned. It was previously funded publicly through money obtained from television licensing, but it is now state subsidised, as Malaysia has abolished TV licences. Malaysia operates 16 state and seven district radio stations, as well as two national terrestrial television channels. Croatia, interestingly, has a mixed approach. The last figures I could find were from 2002 and they showed that 70% of the funding for HRT—I will not attempt to pronounce the name of Croatia's national broadcaster—comes from broadcast user fees for each house, with the remainder being made up by advertising.

The best and most well-known other example of public service broadcasting can be found in the United States, whose arrangements are entirely different. Its public service broadcasting is decentralised and is not Government operated, yet nobody in this House could

possibly say that the media—the broadcast and electronic media—in the US is anything other than free, impartial and independent.

Mr Bone: My hon. Friend is making a good series of points. I am interested in hearing an around-the-world tour of different broadcasters, but I am trying to get us back to discussing the British Broadcasting Corporation.

Mr Nuttall: I just make the point that it is possible to do things by other means, as other countries have proved, although some say it cannot be done.

I am conscious that many others want to speak and perhaps these are matters that we can touch on in Committee and on Report. I would happily take up the invitation of my hon. Friend the Member for Wellingborough to serve on the Committee should the Bill proceed, as I sincerely hope it does. There are a number of other matters that I could touch on, but I will leave it there and listen—hopefully—to what the Minister has to say.

12.35 pm

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): I am grateful to have the opportunity to respond to this very interesting and wide-ranging debate on a matter of great importance. I congratulate my hon. Friend the Member for Wellingborough (Mr Bone) on bringing the Bill to the House on behalf of my hon. Friend the Member for Christchurch (Mr Chope). I think that my hon. Friend the Member for Wellingborough is still awake after the previous speech, but I just wanted to check. I note from his biography that he runs marathons for charity; his extremely lengthy speech was a marathon effort on which I wholeheartedly congratulate him.

Mr Bone: I hope the Minister is not inadvertently misleading the House. If he thinks that was a marathon speech from me, I invite him to attend on other occasions.

Mr Vaizey: I am grateful for that clarification. I was going to say that despite its seeming a marathon effort to me, it covered in great detail a number of very important points and was not in any way discursive or repetitive. That is a real achievement and shows, once again, that my hon. Friend is one of the most formidable debaters in the House. When one sees his name on the annunciator, one knows that it is worth leaving what one is doing and coming to the Chamber. I also know, because I came to the House at the same time as he did, that he was the director of a travel agency, which I imagine was enormously successful. Such was the detail that he brought to the debate that I am sure customers who discussed a holiday destination with him would have received a very detailed analysis of the options available all over the world. Perhaps that attention to detail started with his distinguished career in engineering, which of course calls for great attention to detail.

We heard important contributions from my hon. Friends the Members for Tamworth (Christopher Pincher), for Bury North (Mr Nuttall) and for Gainsborough (Mr Leigh). My hon. Friend the Member for Tamworth supported some of the comments that hon. Members

made, but he made it clear that it would be dangerous to give politicians the chance to threaten the editorial independence of the BBC. I wholeheartedly agree with that point.

My hon. Friend the Member for Gainsborough was concerned about the NAO's ability to audit the proposals, and my hon. Friend the Member for Bury North was keen to stress the diverse nature of broadcasting beyond the BBC and the opportunities presented by the Bill to support that wider broadcasting ecology.

The Government strongly support the BBC and believe it to be a jewel in our crown that is widely supported by the British public. Indeed, the hon. Member for Ashfield (Gloria De Piero), who gave a precise and to-the-point summary of her party's position, pointed out that the BBC ranks alongside tea and Marmite in the affections of British citizens who are foolish enough to leave this wonderful country of ours; that is what they miss.

The BBC is supported strongly by the public, and it is important to understand that it remains an anchor for our diverse media ecology, if that is not too much of a mixed metaphor. As it relies not on advertising but on the licence fee, it can provide quality programming, and it raises the quality bar—a bar for which other broadcasters have to aim. Other broadcasters have to balance their need for ratings with their need to produce quality broadcasting, given the choice available to the public. The BBC also provides a whole range of training opportunities; many successful directors and producers began their careers at the BBC. It provides a valuable resource for many independent production companies that provide programmes for the BBC, which is important because of the window of creative competition.

This country would be much poorer without the BBC; the brand is widely recognised around the world, and it is highly competitive. I was recently lucky enough to go to the BBC showcase in Brighton, where BBC Worldwide sells BBC television programmes to buyers from around the world. It was an astonishing occasion that reminds one how much the rest of the world values and admires the BBC. More than 500 delegates from all over the world came to buy BBC programming from across the spectrum. That provides the BBC with valuable income.

As hon. Members are aware, we concluded a rapid licence fee negotiation with the BBC in October, and I think the result is a fair deal for all involved. It is a fair deal for the licence fee payer; the licence fee is currently £145.50, and that will be frozen for the lifetime of this Parliament, up to the 2017 renewal of the BBC's charter. It is a fair deal for the BBC, because it gives it certainty on the licence fee, instead of two years of fraught negotiation, and it allows it to plan for a substantial period. The level of the licence fee is perhaps challenging for the BBC, but we are confident that it will be able to make significant efficiency savings to absorb what is, in effect, a reduction in licence fee income.

Mr Leigh: On that important point, there is already pressure on inflation, and it is impossible to predict. What are the plans if inflation rises beyond its current reasonably low levels? What will happen then?

Mr Valzey: I am not sure whether my hon. Friend is arguing for an increase in the licence fee in such circumstances; I would be astonished if he was. At

present, I am confident in the Chancellor of the Exchequer's management of the economy and his predictions that inflation will fall substantially next year.

As I say, the licence fee is a fair deal for all involved, bringing certainty for the BBC, a low level of licence fee for the licence fee payer, and the opportunity for efficiencies. My hon. Friend the Member for Bury North talked about flats in multiple occupation; my understanding is that owing to the way in which our society is developing the BBC will get significantly increased income because of the number of individuals paying a licence fee. I will not say any more than that, because that would obviously be a matter of social commentary on the way people lead their lives today.

Let me turn to my concerns about some of the issues that have been raised. First, there is the issue of top-slicing the licence fee. I do not think that hon. Members actually used the phrase "top-slicing", but it is quite clear that they want to keep the licence fee under the Bill, but would like it to be distributed to other broadcasters. The issue was debated thoroughly in the previous Parliament, and in fact it became quite a serious proposal in the past few years, particularly when Channel 4, under its previous leadership, argued for an element of the licence fee. Ofcom, the independent regulator, had examined the issue and thought it should be considered.

I always remained against top-slicing, for a number of reasons. I could not understand the perspective of people such as my hon. Friend the Member for Wellingborough, who clearly have significant concerns about the BBC and the quality of the programming it provides. Why on earth would they want to see two, three or four BBCs? My hon. Friend may have concerns about the quality of some of the BBC's output, but, knowing him as I do, I suspect he probably has the occasional hernia about the output of Channel 4.

Let us imagine that Channel 4 had a slice of the licence fee. My hon. Friend would have to speak in the next debate not for an hour and eight minutes, but for two hours and 16 minutes to express his concerns. Imagine if there were three, four, five or six broadcasters receiving the licence fee. Given that one licence fee-funded broadcaster gets an hour and eight minutes of forensic analysis from my hon. Friend, we could be here for hours listening to him get off his chest his concerns about the licence fee.

During the debate my hon. Friend raised his concerns about the way the licence fee is collected. We know that this is a perennial problem. All of us as constituency MPs have heard from individual constituents who either do not have a television or feel that the letters they receive from TV Licensing are heavy handed. I point out to my hon. Friend that of the people who are approached by TV Licensing and asked to pay the television licence fee when they have not done so, claiming that they do not have a television, one in five do have a television. Clearly, it is important that the licence fee is collected from everyone who has a television so that all of us can enjoy the benefits of a low licence fee. The more people who did not pay for their licence, the higher the licence fee would rise.

Mr Bone: The commissar Minister seems to imply that for the good of collecting the licence from one person, the privacy of four others may be invaded. Surely that is from the USSR, not from Britain.

Mr Vaizey: I am not sure that I agree with my hon. Friend's interpretation of what I said. All I am saying is that for the television licensing organisation to approach an individual and ask them to pay the licence fee may not be an unnecessary exercise in every case.

The National Audit Office was mentioned. I want to bring hon. Members up to date with where we are on that. In September 2010 we announced that the National Audit Office was to have full access to the BBC's accounts, and that the NAO would be able to choose which areas to investigate. However, we made it clear that the BBC's editorial policy was to be safeguarded. These changes will be given effect by amending the BBC agreement. We are working on the detail of how the changes are to be implemented, and we hope to achieve that towards the end of the year. November 2011 is the date that appears in the Department for Culture, Media and Sport's structural reform plan, which I know hon. Members will have seen on our website, because I know they will want to keep up to date with the targets that the Department has set itself.

I was interested in the point made by my hon. Friend the Member for Bury North about the convergence of the internet and broadcasting. That is an extremely valid point. I hope convergence will give many more broadcasters a chance to reach new audiences. It is important that in a new media ecology—you can tell, Mr Deputy Speaker, that I like using the word "ecology"—we give new companies the space to grow. They are currently subject to co-regulation by Ofcom and the Authority for Television on Demand, and it is extremely important that that regulation is as light touch as possible to allow those organisations the space to invest, grow and market to new audiences.

Our television experience may well change dramatically. However, the increase in viewing of what is known as shift television, which allows live television to be paused and effectively watched on demand, has not been as dramatic as had been expected. A few years ago, it was expected that by this stage around 40% or 50% of viewing would be on that basis, but the figure turns out to be only around 5% or 6%. We remain a conservative nation, still watching linear television as it is broadcast by the main broadcasters.

In any debate on the BBC, which is inevitably what a debate on a Bill on public service broadcasting becomes, there will be a discussion of BBC bias. I am aware that many hon. Members feel that the BBC is biased against their particular point of view. I think it was my hon. Friend the hon. Member for Wellingborough who said that if Front Benchers disagreed with him, he knew he was right. However, I think that it is also the case that at any one time Labour, Liberal Democrat and Conservative Members will all allege that the BBC is biased against their perspectives, so perhaps one could conclude that the BBC is getting it broadly right.

Nevertheless, my concern with the BBC relates to the element of accuracy, or to the need to put decisions in context. One of the frustrations I had on a particular policy area of mine—the abolition of the UK Film Council—was the way it was reported by the BBC. As hon. Members know, the film "The King's Speech" was partly funded by lottery money that was invested in the film via the UK Film Council. When "The King's Speech" began winning BAFTAs and Oscars, on which the whole House congratulates its makers, the BBC was

keen to report "the success of the 'King's Speech', which was funded by the UK Film Council, which is being abolished by the Government." Any lay person listening to that report would ask, "What's going on? We have just had a fantastically successful British film and the Government are clearly withdrawing the money that supports such films." In fact, the money that supports a film like "The King's Speech" is being increased by 60%. It would have been better if the BBC had put that in context and said, "'The King's Speech', which was funded by the lottery, the funds of which are being increased by the coalition by 60%." That would have been an accurate portrayal of our policy.

Similarly, I suspect that the Arts Council might feel slightly aggrieved by the BBC's reporting of its decisions this week. Incidentally, I will take this opportunity to congratulate the Arts Council's chairman, Dame Liz Forgan, and chief executive, Alan Davey, on what I think was a significant and successful strategic review of its portfolio. The BBC reported that 600 arts organisations had lost out as a result of Government cuts, but what it did not report was that this was the first time in the Arts Council's history that it had had an open application process. As a result, 1,333 organisations applied for £1.4 billion of funds. If there had been no cuts to the Arts Council's grant, it would still have had only about £1 billion to invest, so there was already a £400 million shortfall. It would have been good if the BBC's bulletins on the morning of that decision had reflected that point.

Now that I have got the things that bug me off my chest, I will return to the Bill. *[Interruption]* I apologise, Mr Deputy Speaker; the sip of water I just had went down the wrong way. As hon. Members will be aware, the Secretary of State announced in January that there is to be a thorough review of media and communications over the term of this Parliament. We hope that that will lead to a new communications Act, with the aim of ensuring that we have a dynamic communications market that continues to be world-leading. If possible, we would like to deregulate where we can and ensure that we encourage growth and innovation. For the purposes of my hon. Friend the Member for Wellingborough and colleagues who support his proposals, there is a great opportunity, because we will be publishing a high-level discussion paper very soon. That will help us to draft a Green Paper, which we hope to complete by the end of the year. That offers an opportunity to my hon. Friend, and perhaps my hon. Friend the Member for Christchurch, to make a submission setting out their concerns.

It was clear from the speech by my hon. Friend the Member for Wellingborough, and from a speech by my hon. Friend the Member for Christchurch when a similar Bill was introduced two years ago, that their knowledge of the broadcasting sector and their understanding of the many challenges that it faces are among the highest in the House. It would be a matter of personal regret if that knowledge and depth of interest were not reflected in a submission to the discussion paper that could inform the Green Paper. The discussion paper will allow people to comment on the future of public service content and, more generally, on investment in content in the UK. That is when we should discuss the nature of public service content, assessing whether a definition is needed at all and, if so, how we negotiate it. Given the importance of looking at the matter in the round, it would be unhelpful to address the case for a new definition in isolation in the Bill.

Let me set out the position more generally. The Bill seeks to abolish section 264 of the Communications Act 2003. That provision provides the basis of the framework for public service regulation set out in the Act, as well as the basis of Ofcom's statutory reviews of public service broadcasting. It may help if I remind the House how public service broadcasting is covered in the Act, which ensures the dissemination of information and the provision of education and entertainment. It provides for cultural activity, including drama, comedy, music, feature films and other visual and performing arts. News and current affairs in the UK and around the world are covered. There is a requirement to satisfy sporting and other leisure interests, and to provide programmes on science, religion, social issues, international matters, specialist matters and religion. Children's programming must be covered, as well as programming that reflects the lives of different communities, cultural interests and traditions in the UK and, locally, in different parts of the UK.

The characteristics and purposes of public service broadcasting proposed by Ofcom as part of its first public service broadcasting review in 2005 are worthy of consideration. Ofcom argued that public service broadcasting should be defined in terms of purposes and characteristics, rather than in terms of specific types of programmes or the output of certain institutions. It concluded that the purposes of public service broadcasting were based on the principles of informing ourselves and others; stimulating interest and knowledge; reflecting and strengthening our cultural identity; and making us aware of different cultures and viewpoints. It considered that the distinctive characteristics of public service programmes were that they were of high quality, original, innovative, challenging, engaging and widely available.

As hon. Members will be aware, the previous Select Committee on Culture, Media and Sport undertook a thorough examination of what is meant by public service content in its report of November 2007. It is worth highlighting the argument that not all public service broadcasting is provided by our established public service broadcasters. A strong case can be made for the claim that other broadcasters produce a great deal of programming that meets the characteristics of public service broadcasting, as set out in the Communications Act. That is to be welcomed, as is the good quality content that does not seek to qualify as public service broadcasting.

Public service broadcasting, from whatever source, is an essential element of the UK's broadcasting landscape. It is entertaining, informative and educational and makes a vital contribution to a healthy, well-informed democracy. It might be worth putting on the record my support for the numerous cable and satellite operators based in the UK from abroad, who invest together approximately £1.6 billion in content and about £400 million in original content, and employ around 22,000 people in this country. It is important that they are seen as part of the debate when we consider the new communications measure.

It is encouraging that Ofcom's most recent report on public service broadcasting found that audiences continue to value public service broadcasting programming and to rate highly the importance of the public service broadcasting purposes and characteristics. In particular, for the PSB channels considered together, there were

more positive ratings for the PSB purposes in relation to informing our understanding of the world, stimulating knowledge and learning and elements related to reflecting the UK's cultural identity. It is my understanding that the public regard, for example, "Strictly Come Dancing" as public service broadcasting, particularly when Ann Widdecombe is taking part. [HON. MEMBERS: "Hear, hear."] I thought that I would get some assent across the Chamber for that remark; I thank hon. Members.

Similarly, Ofcom's second public service broadcasting review found that audiences value highly content that meets the purposes and characteristics of public service broadcasting. The report concluded that audiences want a wide range of high-quality content, which fulfils the purposes of providing news, promoting learning, reflecting our culture, and exposing a variety of views. It went on to note that high-quality UK-originated programming plays an essential part in meeting those purposes. It is interesting to note that audiences still strongly support the BBC, but there is a clear consensus that viewers value an alternative to the BBC across a wide range of programming.

The Government recognise that the changing structure of the television advertising market, the different cycles in television advertising revenue, technological developments, which I have already mentioned, the growth in platforms and increasing convergence all have an impact on providing public service broadcasting. Such changes are now permanent features of the broadcasting landscape and the Government will fully reflect such matters as we develop our policy. To support us in doing so, I again make my call to all interested parties to tell us what needs to change, what works well and what does not work so well. We need to encourage a debate on public service broadcasting, and we hope and anticipate that the subject will be debated for a long while yet. As Ofcom noted in the conclusion to its second public service broadcasting review:

"The central question is how a historically strong and successful public service broadcasting system can navigate from its analogue form to a new digital model. We need to sustain its quality and creative spirit while also capturing the opportunities of broadband distribution, mobility and interactivity."

I summarise by saying that the Government review of media and communications will cover investment in content, including public service content. The review provides an opportunity for all to contribute their views. Given the importance of looking at such matters in the round, it would be unhelpful to address the case for a new definition in isolation through the Bill. On that basis, I am afraid that I cannot commend the Bill to the House.

1.4 pm

Mr Bone: This has been an important and wide-ranging debate. I was encouraged by the fact that the shadow Minister, who spoke very well for Her Majesty's Loyal Opposition, and the Minister, who always speaks well, agreed, which absolutely assures me that I am right in pressing the matter to a Division—when the two Front Benchers agree, they are inevitably making the wrong decision.

However, I am encouraged by what the Minister said on the Government review. I think he was encouraging me to press the matter to a Division, because such a decision would help to inform that review. I thank my

[Mr Bone]

hon. Friend the Member for Tamworth (Christopher Pincher) for his interesting points, although when he picked on "Test Match Special" and "Just a Minute", he hit hard at two programmes in which my wife and I are very interested. I thank my hon. Friend the Member for Gainsborough (Mr Leigh), who has great knowledge of the Public Accounts Committee. I take on board his comments, but I hope they can be addressed in Committee. Of course, I also thank my hon. Friend the Member for Bury North (Mr Nuttall), who as usual spoke concisely and eloquently. I hope the Bill receives its Second Reading.

Question put. That the Bill be now read a Second time.

The House divided: Ayes 3, Noes 16.

Division No. 251]

[1.5 pm

AYES

Field, rh Mr Frank
Hollobone, Mr Philip
Leigh, Mr Edward

Tellers for the Ayes:
Mr Peter Bone and
Mr David Nuttall

NOES

Allen, Mr Graham
Bottomley, Sir Peter
David, Mr Wayne
De Piero, Gloria
Gardiner, Barry
Greenwood, Lillian
Hendrick, Mark
Kaufman, rh Sir Gerald
Michael, rh Alun
Pound, Stephen

Randall, rh Mr John
Rees-Mogg, Jacob
Sanders, Mr Adrian
Seabeck, Alison
Shuker, Gavin
Vaizey, Mr Edward

Tellers for the Noes:
Stephen Crabb and
Mr Philip Dunne

The Deputy Speaker declared that the Question was not decided because fewer than 40 Members had taken part in the Division, and the business under consideration stood over until the next sitting of the House (Standing Order No. 41).

Food Labelling Regulations (Amendment)
Bill

Second Reading

1.18 pm

Mr Richard Bacon (South Norfolk) (Con): I beg to move, That the Bill be now read a Second time.

This is my fourth attempt to bring in a Bill to amend the Food Labelling Regulations 1996 and my first opportunity, after seven years of trying, to get a Second Reading debate. I am therefore very pleased to have this opportunity today. My Bill seeks to amend those regulations to provide for information about the country of origin of food to be made available to consumers. That is it; I am not trying to restrict imports from anywhere.

I am not trying to prevent people who love Spanish chorizo from buying as much of it as they want. I am not trying to prevent people who want genuine German wurst from buying it by the Mercedes Benz truck load and importing it into this country to sell to all the people who want to buy it. I am not trying to prevent those who are partial to kangaroo meat from buying that, either. According to the website of J. M. Danslow, a quality butcher in Gravesend, kangaroo meat is

"used by some of the world's best restaurants because of its high quality and unique flavour."

Those who are partial to kangaroo meat have nothing to fear from my Bill. Those who like bison, which is

"the most flavoured red meat available to today's consumer ... nutritious, tender and easy to prepare",

can also set their minds at rest.

Likewise, no one who likes eating reindeer meat, which according to Danslow is

"fine-fibred, tender and lean"

as well as being

"rich in vitamin A, vitamin E and all vitamins B",

has any cause for concern. I might add that there are other concerns about reindeer meat, as the Swedish store Ikea found to its cost a couple of years ago when it started selling salami made from reindeer in its UK stores at Christmas time. The idea that Rudolf's big thank you for helping Santa to deliver all his presents in double-quick time was to be chopped up and turned into salami for the Christmas dinner table was a little too much for the nation's children and their parents to bear. But, if there are still any secret reindeer meat eaters out there following that debacle, they have nothing to fear from my Bill.

My Bill seeks to do one thing: I just want consumers to know where meat comes from. I want them to know, not to think or to guess or to hope. If producers say on the label that meat is British, it should actually be British. I have set out this argument in the House on four previous occasions: on 22 March 2004; on 29 October 2008; and in a slightly different Bill on 17 March 2009, which is identical to the Bill that I asked the Leader of the House to introduce on 11 January 2011. So I will not detain the House for very long.

Mr David Nuttall (Bury North) (Con): I appreciate that my hon. Friend has set out his arguments in the House before, but I and other Members who are present

today were not here on those occasions, and we would very much welcome listening to those arguments in some detail.

Mr Bacon: I hear what my hon. Friend says, and I will set out a précis of the arguments for his benefit and for that of other Members. I do not want to dwell on them at length, however, because I also need to explore the aspects of European law that are unjustifiably held to be fatal to the Bill.

I was saying that the Food Labelling Regulations (Amendment) Bill that I introduced in 2009 is worth some attention, particularly because of its sponsors. I reiterate that that Bill is identical to today's Bill, save for the names of the sponsors. My 2009 Bill had a range of sponsors from different parties, including my right hon. Friend the Member for South East Cambridgeshire (Mr Paice) and my hon. Friend the Member for Newbury (Richard Benyon), who I am delighted to see sitting in his place today. It is a great pleasure for me to be able to introduce a Bill that I know has the support of two people who are now Ministers in the Department for Environment, Food and Rural Affairs.

I do not wish to detain the House by talking about the cheating that goes on, but I will briefly summarise the problem. The current rules do not do the job adequately, and consumers continue to be misled. In the case of certain foodstuffs, no indication need be given that the product is made with imported meat. Examples include the Tesco chicken dinner in its range of children's meals, which simply states "Produced in the UK", although the chicken actually comes from Thailand. Sometimes a phrase will be used to imply the country of origin. For example, items from the Bird's Eye Great British Menu range turn out, on closer inspection, to contain imported meat. At present, producers of imported meat can lawfully use the Union flag on packaging to imply that a product is British, even when it is not, and they do so. They can, and do, import meat from overseas, package it here and say that it has been produced in the UK.

There are not many people out there who disagree with what I am saying about the need to address the problem. An ICM poll for the Honest Food campaign showed that 87% of consumers in the survey believe that the Government should ensure that the country of origin is clearly shown on food products. The survey also showed that 89% believe that when a product such as sausages or bacon is labelled as "British" or "produced in the UK", it should mean that the sausages or bacon are from an animal reared in Britain.

The right hon. Member for Newcastle upon Tyne East (Mr Brown) is a sponsor of the Bill. When he was an Agriculture Minister 12 years ago in 1999, he told us:

"I want to give clear unambiguous information on the real place of origin, not place of processing or place of slicing; I want to clamp down on misleading place of origin descriptions".—[*Official Report*, 28 October 1999; Vol. 366, c. 1126.]

In the last Labour Administration, the then Secretary of State for Environment, Food and Rural Affairs, the right hon. Member for Leeds Central (Hilary Benn) said:

"A pork pie made in Britain from Danish pork can legitimately be labelled as a British pork pie".

He added:

"That's nonsense, and it needs to change."

I agree, and so did the farming Minister at the time, Jane Kennedy, who was then the right hon. Member for Liverpool, Wavertree—and she is, I might add, very much missed. She appeared on the excellent Channel 4 programme, "Jamie Saves our Bacon", and told Jamie Oliver that misleading labelling was "a disgrace". Once again, I agree.

Some progress has been made with voluntary codes, but they are voluntary. As I said in seeking leave to bring in this Bill, significant concerns persist about the effectiveness of voluntary agreements, while the demand for mandatory country-of-origin labelling continues to grow. Helen Ferrier, the chief science and regulatory affairs officer for the National Farmers Union said of the guidance from the British Retail Consortium:

"Unless all companies sign up and then consistently stick to their promises, some consumers will still be misled."

Alice Barnard, chief executive of the Countryside Alliance also welcomed the guidance and urged food organisations to sign up to its standards, but she also lamented:

"The code is not mandatory, which would offer further protection still."

At the annual general meeting of the National Federation of Women's Institutes in 2010, a resolution calling for the mandatory, clear labelling of food with its true country of origin was passed unanimously. The Minister might like to reflect that this is an organisation not to be trifled with, as a former Prime Minister found out to his cost. The chair of the Women's Institute, Ruth Bond said:

"We know that consumers want to make informed choices, and surely it is not right that consumers remain dependent on the goodwill of retailers signing up to a voluntary scheme. Without legislation there is no guarantee that consumers will get the choice and information they are demanding."

Let me turn to deal briefly with the Bill. It is a very short Bill of two clauses, including the "Short title and commencement", so I suppose it is what most of us would call a one-clause Bill. It provides definitions of meat products under the rubric of "Country of origin labelling". More extended provisions explain in more detail the definition of "Meat component" and the circumstances in which the word "British" can be used—or where it cannot:

"No meat product may be labelled 'British' unless the animal from which the meat was derived was born, reared and slaughtered in the United Kingdom."

The key issue I want to devote most of my time to exploring is whether there are fatal flaws in the Bill because of European Union law. Some people believe that to be the case, but I am not sure that it is. Let me start by pointing out the terms of the EC directive—the original directive 2000/13/EC. It states in paragraph (6) of the preamble:

"The prime consideration for any rules on the labelling of foodstuffs should be the need to inform and protect the consumer."

Paragraph (8) continues:

"Detailed labelling, in particular giving the exact nature and characteristics of the product, which enables the consumer to make his choice in full knowledge of the facts is the most appropriate"—

and now we come to the most interesting bit—
"since it creates the fewest obstacles to free trade."

More detailed labelling means fewer obstacles to free trade. Paragraph (14) of the preamble continues:

"The rules on labelling should also prohibit the use of information that would mislead the purchaser".

[Mr Bacon]

Moving on from the preamble to the articles, article 2 states quite clearly in the first paragraph:

"The labelling and methods used must not... be such as could mislead the purchaser to a material degree".

All over the directive, it is perfectly clear that the purpose is to protect the interests of consumers.

It is not at all obvious therefore that what I am doing—it could easily be argued that I am simply trying to transpose into UK law, albeit more effectively than hitherto, the requirements of this directive—is in any sense contrary to European law. However, I accept that there is an argument to be had. My contention is that this is about consumer choice, not about restricting markets in any way.

In order to make the point in more detail, let me turn to the leading text on the free movement of goods. It is the fourth edition of "Free Movement of Goods in the European Community: under Articles 28 to 30 of the EC Treaty", by Mr Peter Oliver. As it makes clear, an extant jurisprudence offers a considerable opportunity for complex discussion. It states:

"Article 28 (formerly article 30) provides: 'Quantitative restrictions on imports and exports and all measures having equivalent effect shall... be prohibited between Member States... the concept of measures of equivalent effect to quantitative restrictions differs from quantitative restrictions themselves in that it is considerably wider and more complex.'"

In other words, it is quite possible that even if someone was not trying—as I am not trying—to restrict the imports of goods by providing that meat sold here must be accurately labelled, that could be the equivalent effect although it was not the intention, and article 28 prohibits measures that have the effect of quantitative restrictions.

Mr Edward Leigh (Gainsborough) (Con): I strongly support my hon. Friend's Bill, but I wonder what other countries in the EU do. It is difficult to imagine the French, for instance, tolerating the position that exists in this country, and they are better at protecting their own meat market. Perhaps my hon. Friend can enlighten the House.

Mr Bacon: I will. I shall be citing a number of cases that have been heard in the European courts, which illustrate that not just the French but many other countries have come up against these issues and that there is a developed jurisprudence.

As Peter Oliver says in his book,

"in determining whether a particular measure falls under Article 28... it is imperative to proceed in two stages. The first question to ask is: does this measure restrict imports (or exports) so as to be caught by Article 28...? If so, then the second question arises, namely: is the measure nevertheless justified in Community law and thus lawful?"

Mr Oliver examines explicitly the question of the obligation to make a declaration of origin. He makes it clear that in "certain circumstances", case law has held—in the past—that

"the requirement that the importer make a declaration of origin is contrary to Article 28. This was laid down in the *Donckerwolke* judgment, already discussed"

—earlier in his book, that is—

"where the Court held:

"the requirement by the importing Member State of the indication of the country of origin on the customs declaration document for products in free circulation... does not in itself constitute a measure of equivalent effect"

—in other words, one that would produce the equivalent of quantitative restrictions—

"if the goods in question are covered by measures of commercial policy adopted by that State in conformity with the Treaty."

The judgment went on to say, however—and this is the point—

"such a requirement would, however, fall under the prohibition contained in Article [28] of the Treaty if the importer were required to declare, with regard to origin, something other than what he knows or may reasonably be expected to know".

I would say that meat suppliers should

"reasonably be expected to know"

where the meat that they are supplying comes from.

On the face of it, the requirement would not fall under the prohibition in article 28. Unfortunately for that line of argument, however—as Mr Oliver goes on to say—

"At least since January 1, 1993, when Article 14"

—the former article 7A—

"of the Treaty took effect, all obligations to make a declaration of origin constitute measures of equivalent effect. The qualifications in *Donckerwolke*, which related to the now moribund Article 134... no longer apply."

It might be thought that that constituted "Game, set and match", or "I am done middle stump"—depending on whether a tennis or a cricketing analogy is preferred—but even then it is not as simple as that, because the treaty also contains article 30. Mr Oliver's book is devoted almost entirely to article 28 and article 30. The main exception, as he describes it—article 30—includes the subject of mandatory requirements. Article 30 states:

"The provisions of Articles 28 and 29 shall not preclude prohibitions or restrictions on imports, exports or goods in transit justified on grounds of"—

and a whole laundry list follows—

"public morality, public policy or public security; the protection of health and life of humans, animals or plants; the protection of national treasures possessing artistic, historic or archaeological value; or the protection of industrial and commercial property."

We could drive a pyramid through that group of exceptions. That makes plenty of work for lawyers, of course, but it also shows that the issue is not quite as clear as some might try to make us believe.

Mr Oliver goes on to say:

"The wording of this provision shows that it applies both to quantitative restrictions and to measures of equivalent effect. Furthermore, it covers that latter whether they are 'distinctly' or 'indistinctly' applicable."

He continues:

"it is also clear from the wording of Article 30 that, subject to certain limits, it merely entitles the Member States to exercise certain powers: it does not oblige them to do so."

We must bear in mind that I am not trying to impose any restrictions on imports. I am merely trying to ensure that the consumer has clear information. Therefore, my proposals should receive "the lightest possible interpretation in respect of these rules."

Mr Oliver goes on to point out that as the European Court of Justice

"held in *Bauhuis v Netherlands*, Article 30 'constitutes a derogation from the basic rule that all obstacles to the free movement of goods between Member States shall be eliminated'".

In other words, such derogations are possible. Mr Oliver continues:

"To be justified under Article 30, national provisions"—
which is what mine would be—

"must fall within one of the grounds of justification covered by the first sentence of Article 30".

I think mine do that. Public policy says there should be better information for consumers so they can make informed choices, and public policy is one of the justifications under article 30.

As Mr Oliver points out, to be justified under article 30 national provisions must also

"not constitute arbitrary discrimination nor a disguised restriction on trade between Member States and must be justified."

I am not trying to put any disguised restrictions on trade between member states. I simply want information for consumers, and what I am trying to do is certainly not arbitrary.

To continue:

"the Court in 'Cassis de Dijon'—"

one of the most famous cases in European jurisprudence—

"has recognised a series of 'mandatory requirements' in addition to the grounds of justification expressly set out in Article 30."

As is clearly set out in the book,

"the better view is that the 'mandatory requirements' fall under that provision"—

article 30—

"despite the Court's traditional view that they were subsumed within Article 28.

The 'mandatory requirements' recognised so far are: the prevention of tax evasion, consumer protection, the prevention of unfair competition, the protection of the environment, the improvement of working conditions, the maintenance of press diversity" and so forth.

To continue:

"One questions left open by 'Cassis de Dijon' was the relationship between the 'mandatory requirements' laid down by that judgment and Article 30, which is not mentioned at all in the judgment. Two schools of thought evolved on this matter:

(a) According to the first view, the 'mandatory requirements' are to be weighed up within Article 28, not Article 30. Moreover, only 'indistinctly applicable' measures may qualify, so that 'distinctly applicable' measures may only be justified on the grounds expressly set out in Article 30. On this view, therefore, 'indistinctly applicable measures' are granted more favourable treatment in that the 'mandatory requirements' apply to them alone.

(b) According to the second view, the 'mandatory requirements' are regarded as being subsumed under Article 30, on the grounds that they constitute additions to the list of grounds of justification expressly set out in Article 30. On this view, the mandatory requirements are subject to precisely the same tests as the latter grounds."

Mr Oliver continues:

"In support of the first theory, it should be said that the Court has repeatedly held that Article 30 must be interpreted narrowly since it constitutes an exception to a fundamental principle of Community law."

He adds:

"Yet it is submitted that that is outweighed by the following considerations:

(a) The second view avoids the undue harshness resulting from the first theory with respect to 'distinctly applicable' measures necessary on such grounds as consumer protection. According to the first theory, even though they are necessary, such measures are quite simply prohibited. According to the second theory, they are considered to fall under Article 28, but may be justified under

Article 30. Since the Court has now accepted that consumer protection may justify restrictions otherwise prohibited by Article 28, does it make sense to approach it differently from, say, plant health merely because in 1957 (when the Treaty of Rome was first drafted) consumer protection did not yet arouse much passion?"

Mr Oliver continued:

"It always seemed clear that the 'mandatory requirements' have the same properties as the grounds of justification in Article 30. As van Gerven"—

the then advocate-general—

"remarked in *Aragonesa de Publicidad v Departamento de Sanidad* '...the conditions governing the applicability of the *Cassis de Dijon* doctrine and of Article [30] are the same'."

He continued:

"For these reasons, the second approach has been firmly and consistently advocated in this book since its very first edition, which appeared in 1982. This is despite the fact that...the Court had already chosen to follow the other approach, which was also backed by most commentators for many years."

Mr Oliver's point in this text, which is one of the leading reference books on the free movement of goods, is that the second approach is gaining favour. He continued:

"What is more, the Court has on occasion had recourse to some far-fetched—not to say exotic—devices so as to maintain the façade that the 'mandatory requirements' apply only to 'indistinctly applicable measures'. Thus the Court has been driven to holding the following measures to be 'indistinctly applicable' so as to be able to consider the 'mandatory requirements' at all: a German statutory provision to the effect that only wines from certain specific regions of Germany could be marketed in bottles of a particular shape; legislation prohibiting the importation and marketing of meat products containing non-meat ingredients; and a measure prohibiting the use of the letter R in a circle (which indicates that a name constitutes a registered trade mark) unless such registration had occurred in the Member States in question.

Perhaps the most striking example occurred in *Commission v Belgium* (waste disposal), which concerned a blatantly discriminatory ban on imports of waste into Wallonia from other Member States."

Mr Oliver goes on to talk about a "most welcome" move made by advocate-general Jacobs, whom I sat next to at lunch once in Luxembourg and I found to be a thoroughly excellent chap. Mr Oliver describes how Mr Jacobs

"has criticised the Court's traditional approach on at least two occasions. In *Chemische Afvalstoffen Dusseldorf v Minister van Milieubeheer*—"

I think that that is Dutch, rather than German—

"referring to the last edition of this book, he acknowledged that the Court had been 'obliged to adopt rather tortuous reasoning' in the cases just mentioned and most particularly in the *Walloon Waste* case. In *PreussenElektra v Schleswig*, the same Advocate General went further, saying that 'the reasoning in *Walloon Waste* is flawed and that 'it is desirable that even directly discriminatory measures can sometimes be justified on grounds of environmental protection', the latter being a 'mandatory requirement'. He then added: 'In view of the fundamental importance for the analysis of Article 30 of the Treaty of the question whether directly discriminatory measures can be justified by imperative requirements, the Court should, in my view, clarify its position in order to provide the necessary legal certainty'.

Mr Oliver goes on to say:

"Without expressly renouncing its earlier position, the Court has grudgingly moved in this direction...first...in *Konsumentenombudsmannen v De Agostini*".

That case basically considered whether an outright ban on advertising certain products on television, which was held to have a greater effect in some member states than in others, could be justified.

[Mr Bacon]

He continued:

"Likewise, in *Decker v Caisse de maladie des employés privés*, the Court considered a 'distinctly applicable' Luxembourg rule requiring the prior authorisation of the purchase of glasses from another Member State... in *PreussenElektra*, blatantly discriminatory legislation on wind energy was held to be justified for the protection of the environment (a mandatory requirement).

Mr Oliver continued:

"Although these developments must surely be applauded, it is a pity that the Court has not yet shown the courage to disown its earlier approach expressly, as this would undoubtedly be in the interests of legal certainty."

His fundamental point is as follows:

"In short, the view consistently espoused in all the previous editions of this book has been gaining ground in recent years."

Why trouble the House with all this jurisprudence, especially as a non-lawyer? The reason is extremely simple: I want to make it clear there is an argument to be had. Indeed, having listened to what the Prime Minister has said on the subject of food labelling, I venture to suggest that he agrees with me. He said at the Oxford farming conference:

"Food can be imported to Britain, processed here, and subsequently labelled in a way that suggests it's genuinely British. That is completely wrong. I cannot overstate the importance of enabling informed consumer choice. Effective marketing can only be achieved if labelling is accurate and clear."

He went on:

"I know that this may raise issues with the European Union. But the role of a Government that cares about British farming is not to sit on its hands and say 'there's nothing we can do', but instead to test these rules and if necessary challenge and change them."

That is exactly what my Bill is designed to do and would accomplish, and I hope that the House will read it a Second time.

1.45 pm

Jacob Rees-Mogg (North East Somerset) (Con): It is interesting to reflect that the key aspects of both this and the previous Bill end up essentially being determined by foreign organisations. In this one, we see clearly that it is an issue of the European Union, and it is a great pleasure, as always, to see the Minister for Europe in his place, because he is wiser and better informed on these issues than almost anyone else in the House. In the previous debate, the issue was whether we would be allowed under European treaties to subsidise from the licence fee the production of programmes made in the United Kingdom. That is clearly an issue that Europe would have poked its nose into.

Then we get into a desperately depressing discussion about whether something that this sovereign Parliament is considering doing is legal. Whatever this sovereign Parliament decides to do is by its very nature legal although it may undermine some obligations we have under international treaties. I know that a senior judge—indeed the most senior judge, Lord Justice Judge—spoke recently about the application of European Union law and the rulings of the European Court of Human Rights in this country. He rightly pointed out that they have effect only because of laws that this House has passed; therefore, they can have no effect, if such a word exists, if this House passes amending legislation. A possible problem with the Bill is that it does not have a

"notwithstanding" clause. If it said "notwithstanding the European Communities Act 1972", it would undoubtedly be possible to introduce food labelling regulations.

This is an issue of great topicality. I have been discussing food labelling for meat products with a constituent, specifically about their religious nature. Canon John Baker who lives in Midsomer Norton has corresponded with me about his concerns that eating halal food would be in breach of a Christian's obligations, as set out in the Acts of the Apostles, on eating food that has been blessed in honour of gods other than our lord and saviour and the blessed trinity. I have taken this up with the Bishop of Bath and Wells, who I thought would be an authority on this matter. Hon. Members will be reassured to know, when they buy their meat, that whether it is halal or not, labelled or not, it is still perfectly legitimate to eat. I am glad to put on the record the authoritative view of the established Church—not, as it happens, my Church—on this important issue.

Mr Bacon: I am inclined to remark in parenthesis that although my hon. Friend is not a member of the established Church, we all feel that he probably ought to be were it not for the minor question of doctrine.

On the "notwithstanding" clause, I was tempted to put one in, but I did not for two reasons: first, because I contend that my Bill falls on the right side of the jurisprudence I have been talking about within the European legal system, and secondly because my right hon. Friend the Prime Minister tends to get the heebie-jeebies when the word "notwithstanding" is mentioned. As I was praying him in aid, as well as the two Department for Environment, Food and Rural Affairs Ministers who have given their support by signing the previous, identical version of the Bill, it seemed to me not a politic thing to do.

Jacob Rees-Mogg: I completely understand my hon. Friend's concern about introducing a "notwithstanding" clause, because it does seem to some to be the nuclear option when it comes to our European relations. We would have to debate whether it was suitable to use such a powerful clause in relation to food labelling, and whether food labelling is an issue of such importance that it is worth fracturing our relationship with Europe over, because the "notwithstanding" clause does ultimately fracture our relationship with Europe, or leads to a fundamental renegotiation. The question, I suppose, is whether that is what the British electorate want.

I have huge sympathy with my hon. Friend on the point about most people in this country wanting to know where their food comes from, how it is processed, and what is in it. It all gets frightfully stomach-churning when we read in the detail of the Bill what is classified as meat:

"the heart, any other internal organ...the muscles of the head, the carpus, the tarsus, or the tail from any mammalian or bird species recognised as fit for human consumption."

Some of those bits do not sound fit for human consumption at all. They sound more like dog meat, which probably should be equally carefully labelled, so that the great dogs of England, Scotland, Wales and Northern Ireland do not mistakenly consume foreign-produced dog food;

I expect that would cause them great concern, because we know that the English bulldog is a particularly patriotic symbol.

I come back to the concerns of consumers. We have had lots of rows with Europe about how food is labelled and processed, and Europe always seems to be on the wrong side of the argument. It always seems to be restraining some form of trade without allowing people to have proper information. I remember the great row about where Parma ham was cut, and whether it could be described as Parma ham if it was not physically cut in Italy. That seemed fair old nonsense; if a person has a great slab of ham and cuts it up at home, it is the same ham as if they had cut it up in Italy. I think it was Asda that wanted to do that in some plant in the United Kingdom. Europe goes for a tough and restrictive anti-free-trade regulation. It seems to put us in a position where we cannot really be honest with the British consumer and let him or her know what they are buying. That is important, because we have read the most appalling stories of the labelling of food that is pretty much no more than packaged in this country as if it were British.

My hon. Friend the Member for South Norfolk (Mr Bacon) so rightly mentioned the use of the Union flag on food. When we see the Union flag, we want to think, "That's a best bit of British beef." We do not want to think that it has possibly come from Kobe, where the beef used to be very good and delicious, but which we might now worry was becoming radioactive. We need to know what it is, and what is in it. If it has come from Kobe via some European country and we are not being told, that must be to the disadvantage of the British consumer when they go out to do the weekly shopping.

When one is in North East Somerset, one wants to know that one's food is really from Somerset, because some of the best food produced in the United Kingdom comes from God's own county. We have the finest beef, lamb, chickens—you name it; turkeys, even. It has a quality, a taste, a melt-in-the-mouth flavour that makes one proud to come from Somerset. That ought to be on a label, and some bureaucrat Johnny in Brussels should not be saying, "We really can't have this, because it might deter you from buying a German sausage." I would not like a German sausage at all; they are much too spicy and flavoured for my taste. I like a good, proper, plain, British banger. Those hon. Members who remember watching "Yes, Prime Minister" all those years ago will know that that has been an issue in British political life for decades. We want our right to eat our sausages stuffed full of bread and things like that, because when they are, they taste nice. We do not want all this garlic and stuff that we get in foreign sausages. I am tempted to mention the Flanders and Swann song but, Mr Deputy Speaker, I know that when I get too poetic I sometimes incur your wrath, of which I live in trembling fear, so I will avoid Flanders and Swann when thinking about garlic-eaters.

We really need to know that information, so that we can get the food that we want, like and love—ideally the food from Somerset, where the grass is of particularly high quality. Those hon. Members who understand the digestion of cattle will realise that if the grass has the right flavour, and the water that falls is the best-quality rain, only to be found in Somerset, the meat and its marbling develops in a particular way.

Mr Nuttall: I must intervene on that point. The best quality rain, if that is what I heard my hon. Friend say, must surely fall in Manchester, in particular that part of Greater Manchester which comprises my constituency, Bury North.

Jacob Rees-Mogg: There are occasions during a test match at Old Trafford when the rain falling can be the best possible rain, when it saves England from a notable defeat, but the rain that falls on the edge of the Mendips is the finest rain. That, as it happens, is why Joseph of Arimathea visited. He just wanted to see quite what high quality the rain was.

I was talking about the high quality of the beef in Somerset. When one looks at a piece of meat in a farm shop, like the farm shop that I used to live next door to, it has a quality that makes one look forward to one's Sunday lunch. With some Yorkshire pudding—I know that is not meat, but it would be most upsetting to think that one's Yorkshire pudding came from the continentals. I am sure that they have no clue how to make it. Where their eggs would come from would be not quite the thing. I know that I am going on to other food products that are not mentioned in the Bill.

I want to say a few words about one detailed concern—perhaps a pedantic concern—that I have about the Bill. That is the reference to the Union flag. Many of our most favoured nations, countries with which we have a great fellow feeling, use the Union flag as a jack. I am slightly worried that we might stop our friends in Australia and New Zealand putting their flag on because of the Union flag being used as a jack, with the stars in the fly. We want to be entirely clear—this may be a point to be discussed in Committee—that flags that incorporate the Union flag should be permissible as a representation of the country of origin when the item comes from that country.

That is a particularly welcome thing to do, because those tend to be countries that share a sovereign with us. We should have a particularly favourable attitude towards them, rather than countries such as France, which of course used to share a sovereign with us—I think of Henry VI, crowned king of France in Paris some time in the 1420s; Mr Deputy Speaker, you will know better than I the precise date—but no longer do so and have therefore lost out in the development of European history. One can only have sympathy for them in lacking such a wise and benign system of government as we have here.

Mr Bacon: I took the trouble to mention kangaroo meat, and how it would not be affected by my Bill. I have no objection to kangaroo meat showing a clear national Australian symbol on it, which of course incorporates the Union flag.

Jacob Rees-Mogg: I thank my hon. Friend for that. I am greatly relieved, because I thought he was going to propose that we might get some kangaroo meat from Somerset. Although Somerset is very good at almost everything, kangaroos might find the climate a little colder than they are used to, and perhaps the fences not quite high enough. They might do awful things like hopping over to Gloucestershire, which would no doubt be extremely dangerous for their health.

[Jacob Rees-Mogg]

There are all sorts of other peculiar meats that one can eat. I remember being offered crocodile, but I did not have it. I thought that it was more for making ladies' handbags than a gentleman's dinner. It was clearly labelled as not being English; as far as I am aware, there are not many crocodiles living in England, although there always used to be those stories about them being in the sewers. As far as I know, that is not true. It was one of those urban myths.

Let us get back to the serious point while I have the attention of the Minister for Europe, which is, as always, a great pleasure. He knows the point that I will come back to and it is a serious one. We have got ourselves into a situation in our relationship with the European Union where laws that are perfectly routine and sensible run up against a European blockage. Whether the jurisprudence of my hon. Friend the Member for South Norfolk is right or the Government's current view is right I do not know, but I do know that it has become the reason for inaction. It is one of the reasons that I greatly welcomed the European Union Bill, which is passing through the other place and which we passed recently. It contains the sovereignty clause which makes it clear that laws from Europe have effect only because of an Act of Parliament.

The reason I think that this is so important is that we may get the phraseology right—and I urge my right hon. Friend the Under-Secretary of State for Environment, Food and Rural Affairs to bear this in mind—but we often hear about things that are against European law as being illegal. They are not illegal; they are against an international treaty obligation. There is an important difference. It is illegal in this country to murder someone, which is absolutely fine. The application of European law results from a treaty obligation that we have accepted and incorporated into our law, but it is absolutely legal for this Parliament to decide at any point to change it. That might appear to be a relatively obscure point, but language is important, because the House, if it so wishes, may pass the Bill with a “notwithstanding” clause, but it is perfectly reasonable for the Minister to say that because of our international treaty obligations it would not be considered wise to do so.

Mr Bacon: My hon. Friend, who is being generous in giving way, prompts me to intervene again on the question of the word “language”. Directive 2000/13/EC specifically states that language can be used as a legitimate restriction, which means that a label must contain the language of the country where the product is to be sold.

Jacob Rees-Mogg: That seems perfectly reasonable. With regard to the Bill, I suppose that, as we are in the United Kingdom, the label is likely to be in English anyway, and English is such a commonly used language that it is hard to see that we could get the protection simply by saying that the labels had to be in English; they would be anyway. That would not indicate a great deal.

We need to consider the right balance in our relationship with Europe. In my view, Europe interferes too much in the minutiae of British life, and I would classify the Bill in that category. Whether one is in favour of specific food labelling laws is neither here nor there in this sense,

but it clearly ought to be in the ambit of this Parliament to decide without worrying about Europe. It is not, except at the most excessive level, a barrier to free trade. I am concerned that we should have a relationship with Europe that is friendly, hospitable and trading, but we are getting to a situation where our democratic control of what we want to do is so undermined by the constant attrition from European law that the British people will no longer wish to accept the relationship along its current lines.

Therefore, those Ministers and hon. Members who are broadly in favour of a free trading area and the European Communities Act must bear in mind that, by allowing Europe to go too far, they might be sowing the seeds of its own destruction, and we may be beginning to see that in the move for an in-or-out referendum. I am very sympathetic to my hon. Friend's Bill. I think that it ought to be a matter for this sovereign Parliament to decide, but I quite accept that the Minister may feel that, in terms of our current arrangements with the EU, this may not be the best battle to fight.

2.3 pm

Mr Edward Leigh (Gainsborough) (Con): I strongly support my hon. Friend the Member for South Norfolk (Mr Bacon) and his Bill. It would be very disappointing if the Government used their power to block it, especially as some current members of the Government previously supported it. The fact is that whatever the state of European law at the moment—I understand that European regulations require labelling to refer to where the food was last processed—there is absolutely no reason why the Bill should not be allowed to pass to Committee stage or, in my view, become an Act, as we could then test the jurisprudence.

In a brilliant speech that went through the entire jurisprudence, my hon. Friend set the scene for an interesting legal case. Let us at least test the water, because it is absolutely clear what the British public want. Indeed, I am not sure whether opinion polls have been mentioned yet, but one commissioned by YouGov in 2007 found that 72% of the British public want to buy British meat. I begin to part company from my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg), because the best sausage is Lincolnshire sausage, as he well knows; he skated over that obvious point. Leaving that aside, the public want to know where their food comes from. Some 72% of them want to buy British meat, yet research done by the industry shows that 61% of pork eaten in the UK is imported. The most important point is that 70% of meat that is imported would be illegal if reared in this country, because our welfare standards are much higher.

It is not just a question of taste. The British people, who are patriotic, would prefer to support local suppliers, but we are conscious, too, as an animal-loving country of the need to support our high welfare standards, and the fact is that 70% of imported meat would be illegal if produced here. Why cannot the House of Commons state clearly and firmly that we should do what the British people want? The Minister will doubtless produce complex arguments to explain why that would be illegal under EU law, but the Spanish, for instance, have already intervened, issuing a decree in 2003 on the compulsory labelling of canned asparagus, and that was not overturned by the EU.

If we had the courage of our convictions, and we allowed the Bill, or something similar, to become law, it is possible—indeed, probable—that it would not be overturned by the Commission because, and this point has been made again and again, nothing that we have proposed would promote the restraint of trade. Nothing that the Bill does would stop anyone buying wonderful products from France, Germany or Italy or from our friends all over the European Union. In many respects, British people have been given a fantastic array of meats and products from all over the EU, and they are happy to buy them. However, when it comes to some of their favourite products such as bacon, beef and lamb, the majority of them want to buy British, so they should be given the opportunity to do so. There should be a clear label—this has nothing to do with the restraint of trade—telling shoppers in supermarkets that the meat was processed in a certain place, but was reared in Britain. That should be clearly set out—no ifs, no buts.

Christopher Pincher (Tamworth) (Con): My hon. Friend makes a good point that food from animals born, reared and slaughtered in this country should be so labelled so that the British public know where it has come from. However, does he not agree that much of the food on which some of those animals are reared is imported, so should that not be on the label, too?

Mr Leigh: We can discuss that. What the public want to know—and let us not get too technical about this—is whether an animal was reared in the UK. Was it slaughtered in the UK? Was the meat processed in the UK? Those are the essential questions, and all that we ask of the Minister is that he keep an open mind and allow the Bill to proceed so that we can test European jurisprudence.

2.9 pm

Mr David Nuttall (Bury North) (Con): I will be brief because I am sure that the House wants to hear from the Minister. I begin by declaring an interest: I have eaten both crocodile and kangaroo meat at various times in my life and I am still here to tell the tale. I am particularly grateful to my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg), who reassured me that I had not offended my faith—I did not think that I had—on the many occasions that I shared halal meat with my many Muslim friends.

Not only the Germans are capable of producing spicy sausages. My butcher in the village where I live, Tottington, produces a “Hot Totty” sausage, which is delicious and spicy.

I find myself in what some people might consider an unusual position, although I do not think it is, in that I wholly support the Bill and its aim of introducing honesty in food labelling. That objective was clearly stated in the Conservative manifesto at the general election:

“We will introduce honesty in food labelling.”

Not only that, those very words are repeated in the “Programme for Government”, which states:

“We will introduce honesty in food labelling so that consumers can be confident about where their food comes from”.

That is the aim of the sensible Bill.

The British public want to be sure, when they go to their local butcher to buy meat, that the animal was born and reared in this country; that it was fed British grass in Britain. When they see the flag or the symbol, they do not want to be misled. They want to be assured that the meat is genuinely British.

I am reassured about my view of the Bill because one of its sponsors is my hon. Friend the Member for Broadland (Mr Simpson), no less, Parliamentary Private Secretary to the Foreign Secretary. I am therefore in good company in believing that the Bill's aims are entirely laudable.

As with so many good ideas that the House wants to promote, however, the problem is Europe and Brussels. That was mentioned by my right hon. Friend—sorry, my hon. Friend the Member for North East Somerset; I am sure he will soon be “right honourable”. No matter how much we pontificate today about what a good idea the Bill is, food labelling is, sadly, tackled through EU legislation. In my view, that is no reason for not trying to change the regulations, if we are so minded. I am not one for introducing more and more rules and regulations—far from it. I believe that we should have as little regulation as possible. However, when it comes to food, the British people are entitled to know what is in it and where it comes from.

I am not talking about imposing new regulations and extra burdensome bureaucracy, because the rules already exist. Food must be labelled under existing labelling rules. In January 2010, the Food Standards Agency produced a report on “country of origin” labelling. Its main findings were that consumers were aware of “country of origin” labels, although that was perhaps not their main concern. It found that meat products were the food types that consumers would most like to be labelled clearly. The Bill therefore hits the nail on the head and deals with the British public's concern.

Mr Christopher Chope (Christchurch) (Con): We know that the Bill is supported by the Prime Minister, so does my hon. Friend agree that it would be a good idea to get the Minister's comments on the record, in the hope that it can go into Committee?

Mr Nuttall: I certainly agree with my hon. Friend, which is why I do not wish to continue my remarks for too long this afternoon. The whole House will benefit from hearing the Minister's comments on the Bill, and the Government's view of how we should deal with what is, in fact, a very simple matter. It can be summed up simply: we want to give the British public honesty in labelling, which is what Conservatives said we would do in our manifesto, what millions of British people voted for, and what was agreed in the coalition document, under which Government Members now operate.

For all those reasons—there is much to commend the idea of honesty in food labelling—it is about time that such a Bill received Second Reading. My hon. Friend the Member for South Norfolk (Mr Bacon) is to be commended for his determination and perseverance in introducing such Bills so many times. The fact that he has done so proves that the measure is worth while, and I wholly commend it to the House. I hope it receives widespread support, and look forward to hearing from the Minister.

2.16 pm

Gavin Shaker (Luton South) (Lab/Co-op): Time is short, so I shall try to keep my remarks as brief as possible. The hon. Member for Bury North (Mr Nuttall) will find a clear theological justification in Colossians 2:16. I am sure he will go away and look that up—the hon. Member for North East Somerset (Jacob Rees-Mogg) probably knows it in the original King James, which is encouraging. It was interesting to hear the hon. Member for North East Somerset launch his campaign to save the great British sausage. If he chooses to turn that into a leadership bid, Labour Members will give him our full backing. I congratulate the hon. Member for South Norfolk (Mr Bacon), a fellow east of England MP. A number of east of England MPs have introduced Bills today, and it will be interesting to see how this one goes—they have so far won one and lost one.

The Opposition have a number of problems with the Bill in its current form, but clearly, Members on both sides of the House and consumers support origin labelling. Consumers now have more interest in the food they eat than ever before. As a nation, we care more about where our food has come from, what is in it, how it was reared, and how it was slaughtered. The Bill raises some very interesting points on the information that consumers should receive on the pack.

We have so many decisions and choices to make in the shops, and we need our labelling to be honest, helpful to read and real. In that light, it is encouraging to see the commitment in the coalition agreement, which states:

“We will introduce honesty in food labelling so that consumers can be confident about where their food comes from and its environmental impact.”

It is for the Minister to say how he will fulfil that aspect of the agreement, but the Opposition believe that country-of-origin labelling is an important aspect of food labelling.

The previous Labour Government were aware of that need and introduced a voluntary code of conduct to help both consumers and producers, but they also pushed for greater European agreement. It is helpful for labelling to be considered at European level. We support what Labour MEPs are doing on the implementation of traffic light information on food labelling. We want to ensure that legislation is produced in conjunction with that, but I am aware that that option has faced resistance in recent months.

The Opposition support the approach whereby mandatory rules are applied to ensure that consumers are clear what origin labelling means when food businesses choose to make an origin claim. For example, pork should only be allowed to be labelled as British pork if the pig was born, reared and slaughtered in the UK, which was a point made by a number of hon. Members.

We strongly support the consumer's right to know how their food was raised and where it has come from, which is why in the EU Parliament earlier this week we supported increased labelling requirements for cloned animals entering the food chain. Unfortunately, the Government opposed that measure. A Europe-wide solution would be preferable to a measure that might get us into a legal minefield. The hon. Member for South Norfolk raised that point. Never has European case law sounded so good as when he read out the names of those cases.

Christopher Pincher: The hon. Gentleman clearly supports honesty in food labelling, but does he support an extension of that to honesty in drinks labelling? He might have seen an article in the *Sunday People* last Sunday—I am sure it is an organ that he knows well—that called for high-caffeine drinks to have proper labelling on cans, so that young people in particular know how much caffeine is in the drink. Is that something he would also like to see?

Gavin Shaker: The hon. Gentleman raises an important point about labelling. It is not just about food; the debate goes much wider than that. I will leave it to other hon. Members to speak on that matter, but he makes his point very well.

I will make two more points, but briefly, so that the Minister can respond. We are obviously concerned about the burden of regulation that the Bill might put on small producers and retailers. A report commissioned by the previous Government on developing a framework for assessing the costs of labelling changes in the UK should be extremely helpful on that matter, and we should consider that report as the Bill goes forward. Furthermore, the 10% requirement is quite a low level to require labelling. For example, it might affect pizza and other foods with a low meat content. That should be looked at.

We find it hard to reconcile the Bill's presentation to the House with the fact that in the same week the coalition Government are cutting funding to the Food Standards Agency's nutrition website, which provides consumers with more information. We broadly support the aims and methods of the Bill. However, I think that this matter should be resolved in the light of the discussions going on in Europe and of those that the Minister will be having with other Departments. I hope that the Government will do more. We will press them to do more on the issue of clear food labelling. I commend the hon. Member for South Norfolk on raising this matter for a fourth time. We will wait to see what happens next.

2.22 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): I pay a warm tribute to my hon. Friend the Member for South Norfolk (Mr Bacon) and applaud his tenacity in bringing this important subject before the House. He said that he was speaking as a non-lawyer, but he did not sound like a non-lawyer, although perhaps his use of the word “heebie-jeebies” took him some way from the legal lexicon he was using.

I was proud to be part of the Honest Food campaign in 2009 that supported the idea behind the Bill. The Department is now taking forward those principles in a way that is both effective and legal, and I would be happy to respond to my hon. Friend's points of jurisprudence. I can assure him that the finest minds at my disposal in the Department will be available to explain our position to him. He has made an important case, and his points deserve a response.

The Bill has come before Parliament previously. I remind hon. Members that even though the Honest Food campaign was the action of the then Opposition Front-Bench team, it resulted in 900 items on supermarket

shelves being changed as a consequence of the concerns we raised about the improper portrayal of products on their labelling. It was clearly wrong to state that something was from a certain part of the country and for it to exude every aspect of Britishness when the meat had been reared and slaughtered abroad but processed here, and I am pleased that we made that progress.

The Prime Minister's comments, which my hon. Friend repeated, are relevant to what we are trying to achieve. We are developing a framework for more honest food labelling, especially for the origin of meat in food. This is an area where the Government have been active in the past year. A food labelling regulation is currently being discussed in Europe. The Government have so far been extremely successful, by including in the current text an extension of the rules, making origin labelling mandatory for fresh and frozen meat. We are tightening the rules where origin claims are made and leaving the door open to further mandatory labelling, subject to a European Commission feasibility report. That position is reflected in the Council's common position, which is being debated in the European Parliament.

In the meantime, in addition to existing Government best practice guidance, the Department has facilitated an industry-owned voluntary code of practice on improved origin labelling for food, which has received widespread support from major trade organisations. We will evaluate its market uptake and impact shortly. The Department is also developing ways to improve the transparency of country of origin labelling in the food service sector, working with the sector to develop guidance for the hospitality sector. If possible, that will be linked to the Olympics, providing an opportunity to celebrate the origin of food at an international event. Although the Government recognise the need to provide UK consumers with clear and accurate origin labelling, a number of the Bill's provisions deal with issues that we are already successfully pursuing in the European single market negotiations.

However, I want to make it clear to my hon. Friend and other Members present that the Government believe that clear food labelling is important. We have made considerable progress on food labelling, and we expect further progress in the EU, as the food information regulations make their way through the Council and the European Parliament. Although we are supportive of the Bill's aims, the Government are already proactive, with many country of origin labelling initiatives already in place. There are existing rules at the European level that, as I have said, are subject to ongoing negotiations. We have been successful thus far, and we believe that we will be more successful in the coming months.

Existing EU legislation already requires mandatory origin labelling for beef, veal, poultry meat and eggs from third countries, fish, most fresh fruit and vegetables, honey, olive oil and wine. Otherwise, origin information is required only where its absence might mislead the consumer. Food businesses can already provide additional information voluntarily, as long as it is accurate and not misleading. Food labelling rules are harmonised at the EU level, and changes in labelling law are a matter for negotiation in Europe.

Mr Bacon: I am delighted that my hon. Friend has pointed out that we have a lot of mandatory labelling already—he has mentioned fish, olive oil and honey. However, if we have mandatory labelling already and if,

for meat other than beef, where we do not, the consumer manifestly is being misled, is there not a case for now having mandatory labelling for other meat? If there are problems in European jurisprudence—problems that I contend are solvable—that should be tested through the courts.

Richard Benyon: I am happy to discuss my hon. Friend's points about jurisprudence with him. I want to ensure that the consumer is treated fairly, with an honest labelling system, and we believe that we can do so in a way that will satisfy his determination, yet not be tested in court at a later stage. I can assure him that that is an absolute priority for the Government.

We have successfully extended compulsory origin labelling. We have also secured a requirement for origin information to be given for main ingredients where origin claims are made on food products—for example, the origin of the steak in a steak and kidney pie labelled as "Made in the UK". It is important that the contents are included. Getting a regulation in Europe is a more effective way of improving labelling in this country.

Importantly, the Bill would apply only to England, as food labelling is a devolved matter. Any English law would place producers and retailers in England at a competitive disadvantage, both in the UK and in wider global markets, as the requirements of the Bill would increase costs not applicable across the trade, as pointed out by the hon. Member for Luton South (Gavin Shaker).

The Government are committed to clearer origin labelling and agree that consumers must be confident about the validity of any origin claims when making purchasing decisions. The Government believe that they have facilitated an industry-owned, voluntary code of practice on improved origin labelling for food. This has received widespread support. We recognise the need to provide UK consumers with clear and accurate labelling. However—

2.30 pm

The debate stood adjourned (Standing Order No. 11(2)).

Ordered, That the debate be resumed on Friday 21 October.

Business without Debate

FIRE SAFETY (PROTECTION OF TENANTS) BILL

Resumption of adjourned debate on Question (19 November), That the Bill be now read a Second time.

Hon. Members: Object.

Debate to be resumed on Friday 21 October.

CONTAMINATED BLOOD (SUPPORT FOR INFECTED AND BEREAVED PERSONS) BILL [LORDS]

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 21 October.

MEDICAL INSURANCE (PENSIONER TAX RELIEF) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 13 May.

PARLIAMENTARY STANDARDS (AMENDMENT) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 13 May.

Yemen

Motion made, and Question proposed, That this House do now adjourn.—(Mr François.)

2.31 pm

Keith Vaz (Leicester East) (Lab): Mr Deputy Speaker, may I begin by thanking you for this opportunity to raise the important subject of Yemen? I should also like to refer Members to my entry in the Register of Members' Interests. I come to the Chamber today as the Chairman of the all-party parliamentary group on Yemen, a country that I and other Members have visited frequently, but I also have a personal interest in it because my sisters and I were born there, in Aden, and the country therefore has a special hold on me and my family.

I am glad to see the Minister for Europe here today. I know that Yemen is not yet part of Europe, but I understand that the relevant Minister, the Under-Secretary of State for Foreign and Commonwealth Affairs, the hon. Member for North East Bedfordshire (Alistair Burt), is already on constituency business and has other important business, and I recognise that he is unable to be here. I have known the Minister for Europe for many years. We first met when we were 19 years of age, when we were debating other subjects. I do not think that he would have anticipated that, in 2011, we would be sitting across the Chamber from each other talking about Yemen, of all subjects.

We have now reached a critical time in the history of that troubled country. I want to start by thanking the Government for following the processes that were set in motion by the previous Government. I know that the Prime Minister spoke to the President of Yemen, President Saleh, in the latter part of last year, and that the Foreign Secretary chose to go to Yemen on his recent visit to north Africa and the middle east. I am grateful to the Foreign Secretary for doing that. Ministers at the Foreign Office and at the Department for International Development have also done that. They also accepted a request from the all-party group that the Yemeni Foreign Minister, Abu Bakr al-Qirbi, one of the most distinguished Foreign Ministers in the Arab world, should come to Britain. Indeed, he came a few weeks ago and participated in bilateral negotiations.

As the House knows, Yemen is one of the poorest nations in the world. Its gross national income is only £659.35 per capita, and 47% of its population live on less than \$2 a day. It has an elected President, a House of Representatives and a shura council that share power. We talk about the need for the countries of north Africa and the middle east to begin the process of reform, but I believe that Yemen has already begun it. It could well be said that Yemen is perhaps the most democratic of all the countries in the region.

Yemen is situated at a key point on the Saudi Arabian peninsula. It is strategically placed above the horn of Africa, and lies across one of the most utilised international shipping routes in the world. Its security and stability, and the maintenance of the same, is of paramount importance to the region—and, I believe, to the world—and is also in the interests of our country.

Yemen has become an active al-Qaeda base. In fact, it is reputed to be the most active base in the whole of the middle east. It is therefore critical to address the issues in Yemen before it becomes another Libya. Today, on

the streets of Sana'a, Aden and other Yemeni cities, protests are going on. As the Minister will know, the protests are on both sides—some in support of President Ali Abdullah Saleh, while others wish to see even more radical change. Up to 28 March, there were 170 confirmed deaths and many more injured. As for weapons, 16,000 guns were recently seized in Dubai on their way to other parts of the middle east, including Yemen.

I want to pay tribute to all those who have been part of the process, including the Yemeni ambassador, His Excellency Abdulla Ali al-Radhi, who wants to see a peaceful transition, as I think does everyone who cares about Yemen. What is critical about this debate, however, is the need for us to act—and to act as quickly as possible.

As we know, Yemen's reunification occurred in 1990. It was supposed to see an end to the separatist movement in the south. The Yemeni Government claim that al-Qaeda militants have seized a weapons factory and two towns in southern Yemen, but that has not been confirmed by others. There is also a problem with the northern province of Sa'ada now entirely under the control of Houthi rebels who are running Government facilities and manning checkpoints. The recent strengthening of terrorist cells in Yemen means that the Government have to deal not just with the problem of their own people but with those who seek to undermine the whole structure of Yemeni government.

Seventeen members of President Saleh's party have recently resigned and he has lost support in other areas. The President, however, has made it clear that he wants to stand down as President by the end of the year. Obviously, those opposed to the President believe that this should happen sooner.

The United States has tried to mediate and was, prior to recent events, funding the army. I think that the army is now split. On 16 November 2010, the Defence Secretary Robert Gates said that

"providing equipment and training to Yemeni security forces was the best way to counter the threat posed by jihadists".

The situation is very difficult indeed. That is why I fully understand why the Government made an announcement a few weeks ago, which I am sure the Minister for Europe will re-emphasise today, to the effect that British citizens should leave Yemen immediately. I am sure that all who are there, whether it be for tourism or work, will want to do so and follow the lead suggested by the Government.

I want to say a few words about the Friends of Yemen conference, although I recognise that the issue of international development is taking second place to what is happening in the country. The Friends of Yemen process was started on 27 January 2010 when the then Prime Minister, the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown) decided to hold a conference on Yemen immediately after a conference on the middle east. It was prompted by the Detroit bomber's failed attempt to cause carnage in America on Christmas day 2009. After that, we had further meetings to see what could be done further to assist Yemen.

Sadly, the next Friends of Yemen meeting, which was due to take place last week, was cancelled. I say to the Minister and the Government that I realise the difficulty in progressing the Friends of Yemen process while such a critical situation exists in the country. We should not

lose sight, however, of the contribution we have made so far. I pay tribute to the Government for what they have done.

Additional spending in the form of United Kingdom aid for Yemen will reach £76 million in 2015. That is a very large increase in bilateral aid, but the problem is that the money can be spent properly only if there are organisations working in the country. Although I understand why the process may have been halted temporarily, we should bear in mind that one of the key reasons for helping Yemen is the poverty of its people. We must never lose sight of that fact.

I know that the Foreign Secretary and the Government have been extremely keen to urge the need for reform on every Government in north Africa and the middle east. I believe that the President has started that process, but—as the Government there know, as he knows and as the opposition in Yemen have been saying—it must take place at a much faster pace in order to satisfy the views of the people. What they require more than anything else are mediation and dialogue.

How can we ensure that we are able to play a part at this critical time in the history of Yemen, without interfering and acting as the former colonial power in southern Yemen but working in concert with our international colleagues, with the backing of the United Nations and with the support of the European Union? I think that what is required now is dialogue. As the Minister knows, I have said that many times when the Foreign Secretary has come to report to the House on events such as the conference on Libya. Although that conference was not about Yemen, it was certainly discussed at the margins, and I know that Hillary Clinton discussed it with the Foreign Secretary.

How can we become involved on a diplomatic and political level, while not becoming involved in a military way? I think that the answer is quite simple. We need to be at the forefront of this activity. I want Prime Minister Cameron to ring President Saleh over the weekend. I urged him to do that on the last occasion when he made a statement to the House. I handed the Secretary of State for International Development the private office number of the President—not that I think the Prime Minister needs to be handed the President's telephone number, because he has spoken to him before.

That dialogue is very important. I want three wise people to be sent to Yemen now: someone acting as an envoy from the United Nations, someone acting on behalf of the EU, and someone acting on behalf of Britain. I want there to be a representative from Britain not just because of our colonial past in the area, but because I think that our Prime Minister and our Government are highly respected in Yemen owing to the work that has been done by successive Governments. I think that if we wait until there is civil war, it will be too late. A mission by three wise people out to Sana'a in the next few days, bringing the sides together and convening a conference there, would make a huge difference to the future of the country.

There is a risk that if we do not arrange that, the country will slide into civil war. Then people will ask, as they do about Libya, what we can do in order to stop the massacre of individual people—not by one side or the other, because there is no question of that happening. There is no similarity to what the President of Libya is doing. However, there is a similarity in terms of what

might happen in the end. The only people who will gain from a civil war in Yemen will be al-Qaeda, and if al-Qaeda takes over Yemen, or even part of Yemen, there will be an impact on our country and our ability to maintain stability, not just in the region but in the context of what might happen to us here.

Let me give just one practical example of how we can help. For months I have been urging the Government to send scanners to Sana'a airport so that cargo and passengers can be scanned before they embark on flights to the United Kingdom. The importance of that was highlighted after the problems at East Midlands airport when a package arrived, originally from Sana'a, which had been to Dubai and ended up in Castle Donington in north-west Leicestershire. I have said that it is a simple matter and that we need not send great things, but should send those scanners. What the Government did was stop direct flights, which has had a huge effect on the Yemeni economy and made things very difficult for the very poor people of Yemen.

I therefore say that there are several practical things we can do now, but the most practical thing we can do is send these wise people out there right away, because what is needed is prevention rather than cure, and if we send them after the event, there is no telling what might happen.

Yemen borders Oman, a stable and friendly country to our country. It also borders Saudi Arabia. It is in the horn of Africa too, and we know about the piracy that occurs in that part of the world. Somalia is just opposite Yemen. In fact, during most of my early life there, there were a lot of Somali people who had come from Addis and had settled in Yemen.

What I am asking for can be done now, and—believe me—it is what the people of Yemen want. They want a peaceful transition, not a bloody transition and not the separation of the country into two parts. If there is a civil war and the country is split, the split will go on for ever and ever, and the cost to the international community in aid and support will be huge.

This is as simple a solution as possible. I know it is easy for me, a Back-Bench Member of Parliament, to be suggesting something like this to the Government, but the fact is that it is a simple solution to an agonisingly difficult problem. I visited Yemen when I was Minister for Europe, but the Minister has not done so, and I know you have not visited Yemen either, Mr Deputy Speaker. However, I hope that we will all be able to visit Yemen one day. Indeed, I hope that one day I will be able to take my 16-year-old son, Luke, and my 14-year-old daughter, Anjali, to Yemen to show them the country where their father was born and spent nine very happy years of his life.

I went there as a first-generation immigrant. My parents went from India to Yemen back in those unfashionable days to find work, and they settled in Aden. There was a very large British community there, and they exercised their right to come to this country and bring me here when the civil war began and our troops were made to leave Yemen. I know what it was like. I can remember the British soldiers being killed and their funerals, which took place very near where we lived. My family were immigrants, but we were treated so well. We were Catholics in a Muslim country, but they treated us with such kindness and dignity. I think

we need to return the favour—to act now before it is too late. I beg the Minister from the bottom of my heart to pass this message on.

2.47 pm

The Minister for Europe (Mr David Lidington): I congratulate the right hon. Member for Leicester East (Keith Vaz) on securing this debate. Anyone who heard him speak will know of the importance of the issues he has brought before the House, most obviously to the prosperity and well-being of the people of Yemen, but also, as he rightly said, to the security of the United Kingdom and the wider global community. Anyone who listened to the right hon. Gentleman's speech will also have been left in no doubt about the depth of his knowledge of Yemen and his deep and abiding affection for the country and its people.

The UK has a long-standing relationship with Yemen, and in recent years we have, under successive Governments, sought to work with the Government of Yemen and the international community to bring about greater stability, prosperity and democracy in Yemen. The current situation in the country is a cause of deep concern, and I am grateful for the opportunity to respond to this debate.

The right hon. Gentleman mentioned at the start of his speech the advice the Government are giving to British nationals currently living in Yemen, and it will be of assistance to the House if I make it clear again today that we changed our travel advice again earlier this week, and we are now advising British nationals that they should leave Yemen now, while commercial carriers are still flying. Because of the violence and political turbulence in Yemen and the dangerous security situation, the ability of the British Government to provide consular assistance is very limited. If British citizens do not leave, it is highly unlikely that the British Government would be able to evacuate them or to provide consular assistance if the situation worsens further. We are therefore strongly advising British nationals to plan on that basis.

Recent protests have brought into sharp focus the economic, political and social challenges that have faced Yemen for some time. The Yemeni protestors have raised their voices in a peaceful manner to demand a more open political system, and their bravery has been apparent to everybody. It is clear to us that the time has come for political change in Yemen. As the right hon. Gentleman said, the Yemeni people have made it clear that they want greater political participation, greater respect for human rights, and peace and prosperity. The United Kingdom Government support those aspirations.

President Ali Abdullah Saleh has led Yemen for more than 30 years and has steered his country through substantial change during that time, not least the unification of the two Yemeni republics. He has confirmed that he will not seek to run again as President of the Republic of Yemen, although the protestors are calling for a more immediate exit from power. I wish to make it clear to the House that it is not for the United Kingdom to determine how Yemen should be governed or who should be its President. The exact terms of the transition have to be worked out in Yemen, but we believe that it should be carried out on the basis of a credible and inclusive dialogue, that it should be peaceful and orderly, and that it needs to command the support of all sides in

that country. The fundamental values of democracy, respect for human rights and the rule of law should be upheld, and we stand ready to do what we can to support dialogue and transition, whether bilaterally or with our partners in the international Friends of Yemen group.

In response to the right hon. Gentleman's final comments, I would say that the Foreign Secretary, Baroness Ashton on behalf of the European Union, and their counterparts in the United States are in close touch with the neighbouring countries of the Gulf on how best to offer assistance to the Government of Yemen. Sometimes we make clear in public what we are doing, but sometimes these contacts are made in private, for reasons that he will appreciate. Our judgment is that private messages are best at the moment and that a public mission would risk moving the focus from the responsibility of both the Government and opposition in Yemen to talk to each other, to whether an international mission with a high public profile would or would not succeed. Although I take the right hon. Gentleman's proposal seriously and will ensure that the Foreign Secretary is made aware of it, we think that providing detailed and frequent support in private to those who have the responsibility to ensure transformation is the right way forward.

The violence that we have seen in recent weeks is shocking and unacceptable. My right hon. Friend the Foreign Secretary has made it clear on a number of occasions that we need to help find a way to reduce tension and avoid confrontation. All that violence does is undermine trust further, and that trust is essential if there is to be a successful negotiation and a period of political transition. As President Saleh has acknowledged, the Government of Yemen have a responsibility to protect protestors and uphold the rule of law, and that needs to be done with full regard to Yemen's international human rights obligations.

As the right hon. Gentleman rightly said, violence and the political crisis in Yemen take place against a background of a serious social and economic situation in that country. Yemen has a large and fast-growing population, huge unemployment, significant rates of child malnutrition, and rapidly declining oil and fresh water resources. As he said, more than 40% of Yemenis live on less than \$2 a day, and the inflation in world food commodity prices is hitting even wealthy Yemenis hard. That is happening to such an extent that major international non-governmental organisations are seriously concerned about the potential for a significant humanitarian disaster in Yemen in the coming months. Government revenues there are decreasing and Government expenditure is increasing. The economy is in serious decline and the current political instability threatens to make an already fragile situation much worse.

Yemen and its prosperity matter to us all, because any worsening of the instability, terrorist activity and poverty will have a detrimental effect on security within Yemen, in the region and globally. Therefore, the Government's strategy is to support Yemeni action to create a more secure, stable and economically sustainable Yemen. A number of different policy themes interact in that regard. Yes, we are helping the Yemeni Government to provide basic services for their people, such as health care and education. We have been supporting work to develop economic opportunities in that country to create jobs and generate income, most obviously through the

Department for International Development's programmes. We have supported work to build the capacity of the Yemeni Government to tackle the threat from terrorism and, within a strict framework, we have provided training to select parts of the Yemeni security forces.

Our strategy acknowledges that developing the capacity of a state cannot be just a short-term goal. It can take months or years and requires a long-term and serious commitment by both partners and donors. In addition to the assistance we provide in that area, the United Kingdom, through DFID, supports the very poorest in Yemen through the social fund for development. We are one of the biggest bilateral aid donors to Yemen and our development partnership arrangement sets out our development commitment through to 2017. Between 2008 and 2011 alone, DFID will have provided £105 million to support development in Yemen.

The right hon. Gentleman spoke about the Friends of Yemen group. I am happy to pay tribute to the previous Government's initiative in establishing that group and of course the current Government have sought to follow that through. Like the right hon. Gentleman, we were disappointed when, at the request of the Yemeni Government, the planned meeting in Riyadh in Saudi Arabia was postponed. We very much hope that it can be rescheduled as soon as possible, but the timetable for that would very much depend on what happens politically in Yemen.

Keith Vaz: The Minister has set out the position very clearly as far as aid is concerned, but the emphasis now is on the critical nature of what is happening at the moment. Given that there is the Friends of Yemen group and that there is a structure, does he not feel that an emergency meeting with the emphasis less on development aid and more on protecting and helping the country to stay stable would be helpful? The critical point now is not how much aid we can give Yemen in future but how we can save people now.

Mr Lidington: I take seriously the right hon. Gentleman's point, but as I said earlier, the meeting was postponed at the request of the Yemenis themselves. It is clearly important that they engage in such a meeting with friends and neighbours. We have not forgotten about Yemen because the friends group is not meeting: we are talking to the Saudis and other neighbours in the Gulf Co-operation Council about the best way forward to try to bring about reconciliation and political transformation in Yemen and about the way in which the regional and international community can help Yemen with development and enhancing its political stability once that period of political transition is over. That work is continuing whether or not there is a formal meeting of the Friends of Yemen group.

Keith Vaz: The Minister knows how important these matters are, and the problem is that the situation is different to that in Libya, where the successor Government will be the Libyan people in one form or another. The successor Government to President Saleh, unless we intervene now, will be al-Qaeda, and once it is in there will be no shifting it. I would like the emphasis that has been put on Libya to be put on Yemen, and I would like that to happen as soon as possible. These bilateral discussions are great, and they will always continue as part of Foreign and Commonwealth Office life, but there is urgency now.

Mr Lidington: I certainly take seriously the right hon. Gentleman's point about the threat from al-Qaeda, especially as al-Qaeda in the Arabian Peninsula and other al-Qaeda affiliates have operated in Yemen for some time. AQAP in particular has significant operational capacity there. The Yemeni Government, under President Saleh, are of course publicly committed to combating AQAP, and we regard it as important that those involved in any new arrangements for government in Yemen after President Saleh has left office should be equally committed to the fight against international terrorism; we will do our utmost to work with the Government of Yemen to ensure that that happens.

The right hon. Gentleman mentioned aviation security. I can tell him that the technical officials in the Department for Transport who are responsible for the project are working hard to implement it as quickly as possible, but

we are not talking about equipment that we can just take to Yemen, and plug in and play; there are basic operating procedures, and staff training and management issues, that have to be tackled by the Yemeni authorities, not the United Kingdom. We can move only as fast as they will allow on clearance of equipment, undertaking training and putting in place the operating procedures. However, we have not forgotten the issue.

The United Kingdom regards the political crisis and the long-standing economic—

3.1 pm

House adjourned without Question put (Standing Order No. 9(7)).

House of Commons

Monday 4 April 2011

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER in the Chair]

Oral Answers to Questions

COMMUNITIES AND LOCAL GOVERNMENT

The Secretary of State was asked—

Local Government Funding (Services)

1. **Mr Dave Watts** (St Helens North) (Lab): What recent assessment he has made of the likely change in the provision of services by local authorities as a result of reductions in the level of Government funding to such authorities. [50339]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): We have given councils much greater flexibility and the financial autonomy to manage their budgets. If they share back-office services, join forces to get better value for money, cut excessive chief executive pay, and root out waste and fraud, they can protect key front-line services.

Mr Watts: I thank the Secretary of State for his response, but does it not demonstrate that he is miles away from the reality of what is happening in the streets? My local authority, which is one of the most efficient and a four-star authority that has frozen its council tax for four years, is faced with 500 job losses, massive cuts in most of its services and a £28 million loss in spending in its local economy. What is he going to do about that?

Mr Pickles: I recognise that the hon. Gentleman has many duties in this House, but perhaps he should have spoken to his council leader, Councillor Marie Rimmer, who says:

"most job losses"

will be

"achieved by not filling posts, early retirement and voluntary redundancies",

which is hardly the position that he paints. It is also telling that Sally Yeoman, the chief executive of Halton and St Helens Voluntary and Community Action, blames the drop in funding on the ending of the working neighbourhoods fund—a fund that the Labour party had decided to end in March.

Tracey Crouch (Chatham and Aylesford) (Con): Will the Secretary of State join me in congratulating councils that have protected front-line services through creative and innovative thinking about their budgets, such as Medway council, which has halved its funding to trade unions and given that money to fund library books instead?

Mr Pickles: I do indeed congratulate them. My hon. Friend points out to those on the Opposition Benches a way in which money can be directed towards the front line. I hope that the right hon. Member for Don Valley (Caroline Flint) will send out requests that Labour councils similarly look towards trade unions and reducing their costs.

Jack Dromey (Birmingham, Erdington) (Lab): The Secretary of State has described his cuts as progressive, fair and protecting the most vulnerable. Last Friday, Conservative-led Birmingham city council inflicted the biggest cut in local government history of £212 million. Some 4,000 people face losing their care packages, including some of the most vulnerable, many of whom are in ill health and in the twilight of their years. Is that progressive, fair and protecting the most vulnerable?

Mr Pickles: Let us be absolutely clear: these are Labour cuts. The Labour party was planning £14 billion-worth of cuts, all of them front-loaded. At least we changed the formula to help the most vulnerable. We find ourselves in a position where we know perfectly well that the Labour party would have inflicted even greater cuts on local government.

New Homes Bonus

2. **Jason McCartney** (Colne Valley) (Con): What assessment he has made of the potential benefits to Kirklees district of the new homes bonus. [50340]

3. **Mark Pawsey** (Rugby) (Con): What assessment he has made of the potential benefits to Rugby of the new homes bonus. [50341]

10. **Richard Graham** (Gloucester) (Con): What assessment he has made of the potential benefits to Gloucester of the new homes bonus. [50349]

13. **Heidi Alexander** (Lewisham East) (Lab): What assessment he has made of the potential effect on regions in England of the new homes bonus. [50352]

The Minister for Housing and Local Government (Grant Shapps): Today, I have announced the final allocations to local authorities under the new homes bonus for 2011-12. All parts of England will receive significant funding from the scheme. Kirklees will receive £1.3 million, Rugby £435,000 and Gloucester £782,000. The funding is completely un-ring-fenced and councils will be able to use it according to the wishes of their local communities.

Jason McCartney: I thank the Minister for that reply. Will he confirm the protection of the green belt and will he consider the suggestion from the Campaign to Protect Rural England perhaps to have an enhanced rate of new homes bonus for brownfield sites to encourage regeneration?

Grant Shapps: I looked carefully at the new homes bonus and at where there should be an uplift and I came to the conclusion that the only uplift we would give would be to those who built additional affordable homes, and that is a block grant of £350 per home. The green belt is entirely protected; that is in the coalition agreement and we stand by that position.

Mark Pawsey: The local authority in my constituency of Rugby has been quick to recognise the benefits that come with the new homes bonus and it has ambitious proposals for new housing development. What steps is the Minister taking to ensure that planning authorities across England recognise the lead of authorities such as Rugby and allocate land for the new homes that are so badly needed?

Grant Shapps: In many ways, authorities such as Rugby have led the way by being so keen to produce housing. The difference is that now every single one of our constituents gets to benefit from new homes being built. There is £200 million on the table that is being distributed today. I note that the Opposition seem to be against their own authorities receiving the money.

Richard Graham: Like my hon. Friend the Member for Colne Valley (Jason McCartney), may I ask my right hon. Friend whether more could be done, perhaps on the paperwork, in order to attract developers into constituencies such as mine, which are entirely urban and therefore have only brownfield sites to offer?

Grant Shapps: One of the changes that we have made is to enable local authorities to set their own targets for brownfield sites. I have been to my hon. Friend's constituency and I know that there are many good sites available. Rather than housing being built on sites where the regional spatial strategy seemed to insist that it went, housing can now go where it is required. Much of that will be on the brownfield land that I went to see. That is one of the features of the Government's policy, and of the new homes bonus in particular.

Heidi Alexander: Last week the Minister for Housing and Local Government wrote to my hon. Friend the Member for Plymouth, Moor View (Alison Seabeck) and claimed that the new homes bonus will not penalise deprived areas to favour more affluent ones. Can he explain to me why his figures differ so widely from those of the National Housing Federation, which estimates that the four northern regions of England will lose £104 million, whereas the five southern regions will gain £342 million?

Grant Shapps: It may have escaped the attention of Opposition Members that the new homes bonus rewards the authorities that build homes. That is why it is called the new homes bonus. Of the five areas that are building the most homes—the five top councils to receive the new homes bonus—three of them are in the midlands and the north.

Mr Clive Betts (Sheffield South East) (Lab): The Government's stated objective is to ensure that more new homes are built than were being built before the recession. I am sure that it is an objective with which we can all agree. However, if the new homes bonus does

not incentivise individual authorities sufficiently so that the sum total of all the individual parts does not meet the Government's objective, what is plan B?

Grant Shapps: The point about the new homes bonus is that it is just one element in a series of steps that we are taking to ensure that house building goes ahead. The hon. Gentleman is right to mention that it slumped to the lowest level since 1924 under the old top-down targets. The new homes bonus will ensure that £200 million is distributed today, but it does not stop there. We are also proposing build now, pay later. We are slimming down some of the many regulations that prevent house builders from getting homes built faster, and we are encouraging them to renegotiate section 106.

Alison Seabeck (Plymouth, Moor View) (Lab): It is getting worse.

Grant Shapps: The hon. Lady says that it is not working, but we have already seen an increase in the number of homes planned and starting to be built.

Mr Bob Ainsworth (Coventry North East) (Lab): The Ansty technology park is in Rugby and the Government announced on Friday that they would sell it off. That was an important job-creation opportunity brought into existence by the old regional development agency which was scrapped by the Government. Would it not be preposterous if Rugby gained from the new homes bonus through developing such a site for housing?

Grant Shapps: The new homes bonus is entirely flexible to allow local authorities to decide how the cash that comes in is spent—those hundreds of millions of pounds being distributed today—so that they can take it and use it for their own objectives. There is a conversation to be held locally rather than nationally about how that money is used in Rugby.

Community and Voluntary Sectors

4. Julie Hilling (Bolton West) (Lab): What assessment he has made of the likely effect on the community and voluntary sectors of reductions in the level of Government funding for local authorities. [50342]

The Minister of State, Department for Communities and Local Government (Greg Clark): Spending decisions are a matter for local councils, but no council should make disproportionate cuts to the voluntary sector. It is increasingly clear that well run councils are following that principle, but that a few of the worst run are targeting the voluntary sector for disproportionate cuts.

Julie Hilling: On Friday I met representatives of Westhoughton visiting service who, having lost a third of their budget, do not know where to turn to make sure that their elderly clients get the support they need. That is one of the many voluntary and community sector groups that have contacted me in desperation. I hope that the Minister does not reply by saying that Bolton council should have prepared for the cuts or should protect the voluntary sector, because it did and it has, but the Government have cut £42 million—three

times more than Labour would have cut. If the council does not have the money, it cannot give it to groups. What can I say to these groups?

Greg Clark: The hon. Lady can start by getting her figures accurate. This is the second time in a row that she has come to the House with bizarre figures. I was at a loss to understand where she got them from, but the source of her information turns out to be a magazine called the *Bolton Scene*. It is not a paper of record. In between obituaries for fish—"Farewell to popular fish"—it includes all sorts of misinformation about the settlement for her council. If she sources her information accurately, she will discover that the cut to Bolton's budget is 7% and the council should not be cutting local groups disproportionately.

Henry Smith (Crawley) (Con): My right hon. Friend has made great efforts to ensure that local authorities publish their spend above £500. Will he extend that to urge local authorities to publish the amount of their spend that is given to voluntary organisations? I think that that transparency would be very worth while.

Greg Clark: I completely agree with my hon. Friend, although there is one council that has failed to publish its spending over £500: Nottingham city council. The right hon. Member for Don Valley (Caroline Flint) squirmed and wriggled rather than urge the council to publish those details. I hope that she will take the opportunity today to say that it should publish them.

Barbara Keeley (Worsley and Eccles South) (Lab): Well, here we have Ministers again castigating local councils for cuts affecting voluntary organisations, but the Cabinet Office is cutting grants to many volunteering organisations, Government cuts to legal aid funding will have a serious impact on Citizens Advice and the VAT rise and loss of gift aid transitional relief will cost the sector £250 million. Does the Minister not see just how hypocritical that stance is toward local authorities? When will the Government get their act together on supporting the voluntary sector?

Greg Clark: Of course, the hon. Lady never saw a piece of spending that she did not like. The hypocrisy is to complain about the inevitable consequences of the previous Government's overspending. As she has the opportunity, perhaps she will just nod and agree that no council—for example, a Labour council looking to her for leadership—should cut disproportionately. It is a time for leadership from the Opposition Front-Bench team. If they want to hang around like ghouls, wailing and moaning from the sidelines, they can do so, but they should take a lead and give a message to Labour councils.

Mr Speaker: Order. To date there has been no breach of order from either the Opposition Front Bench or the Treasury Bench, but I remind hon. and right hon. Members that they should be very careful in their use of the word "hypocrisy".

Government Funding (Distribution)

5. **Mr Chuka Umunna (Streatham) (Lab):** What assessment he has made of the equity of the distribution of Government funding for local authorities. [50343]

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): The local government settlement is a fair outcome in very difficult circumstances—those circumstances being that we are borrowing £400 million every day to plug the gap left by Labour. We have worked hard to get equity between local authorities, giving proper attention to both their level of dependency on Government support and their local resources. That is why we have transferred the needs-based element from 73% to 83% of the formula grant and introduced the banded floors. As a result, for every pound per resident of formula grant that goes to the least dependent authority in London—Richmond—Lambeth will get £4.86, which is almost five times as much per resident as the least dependent authority.

As far as equity for local taxpayers goes, the council tax freeze will provide £2.4 million to Lambeth this coming year.

Mr Umunna: Of course, the fact is that the most deprived single-tier local authorities are seeing their spending power reduced by nearly four times the amount of the least deprived local authorities. For example, Lambeth—the Minister omitted this point—is having to make just under £40 million-worth of cuts to services in my area, including to Lambeth senior citizens day centre in Brixton Hill. That centre provides food and a place to go for—[Interruption.]

Mr Speaker: Order. It seems to be contagious. Both sides are taking too long. We will have a quick question from Mr Umunna.

Mr Umunna: The older people's centre is facing cuts of up to 80%. Will the Minister come with me to the centre and explain how he will help it to continue to survive in the coming financial year?

Andrew Stunell: According to Lambeth council's own website, it is reducing its front-line service provision by £1 million, but I draw the House's attention to the fact that it is also increasing its reserves from £83 million last year to £93 million this year. Perhaps the question about equity would be better directed at the council than at us.

Richard Fuller (Bedford) (Con): Some councils, many of them Labour-controlled, are protecting overpaid bureaucracies and slashing services run by the third sector, while others are embracing social enterprise and charities in new models of social services provision. Will the Minister recognise good behaviour in future allocations to get true equity to the people who need it?

Andrew Stunell: I thoroughly understand my hon. Friend's point, and as he will know, the local government resource review will look at those matters in the near future.

¹**Chris Williamson (Derby North) (Lab):** The wheels are well and truly coming off the Government's explanation for their swingeing cuts to local government—that is pretty clear. Contrary to his assertion that he would protect the most vulnerable by making his cuts "fair and progressive", the Secretary of State is actually imposing the biggest cuts on the country's poorest

communities and leaving more affluent areas relatively unscathed. Even his own Housing Minister confessed last week that the poorest areas will shoulder the harshest cuts. Will the Minister replying do the decent thing and admit that the Secretary of State's declaration about fairness and the Chancellor's assertion that we are all in it together are completely and utterly preposterous?

Andrew Stunell: The hon. Gentleman has of course used a selective quotation, and that is entirely his prerogative, but it does rather undermine his case. The reality is that no local authority in this country faces a reduction in its real expenditure of more than 7.7%, and offset against that is the new homes bonus that we have announced today, through which Lambeth, for instance, gets £1.9 million.

Community Housing

6. **Stephen Gilbert** (St Austell and Newquay) (LD): What plans his Department has to establish trusts to assist communities in providing homes for local people.

[50345]

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): I thank my hon. Friend for his question and remind him that the Localism Bill, for which he and I served in Committee, contains provisions for the community right to build, which will allow community organisations to bring forward schemes for small-scale development, including housing, without needing to go through the traditional planning route. As he and I know, we hope to achieve Royal Assent for that at the end of the year.

Stephen Gilbert: I am grateful to my hon. Friend. One of the problems with housing supply is the availability of land, but the Government own vast tracts of land throughout the country, so has his Department given any consideration to bringing forward some public sector land to meet the housing crisis?

Andrew Stunell: I remind my hon. Friend that "The Plan for Growth" published last week by my right hon. Friends the Secretary of State for Business, Innovation and Skills and the Chancellor set out plans for the release of more public land, and this Department is very strongly engaged in making sure that that leads to more housing.

Home Ownership

7. **Guto Bebb** (Aberconwy) (Con): What steps his Department is taking to support home ownership and first-time buyers.

[50346]

15. **Simon Hughes** (Bermondsey and Old Southwark) (LD): What steps his Department is taking to support home ownership and first-time buyers.

[50354]

The Minister for Housing and Local Government (Grant Shapps): At the Budget, we announced the Firstbuy scheme, which will be co-funded by the Government and house builders, bring £500 million of investment into the sector and build about 15,000 homes throughout the UK. In England, those figures are £200 million and 10,000. In addition, the Government's commitment to reducing debt is perhaps the most important thing that

we can do to create stability, and recently I held a first-time buyers summit to pull together the sector and ensure that progress is made.

Guto Bebb: I thank the Minister for his response. Does he agree that the new funding for the Firstbuy scheme will help the construction industry, creating new jobs and increasing the pace of economic growth?

Grant Shapps: My hon. Friend is absolutely spot on, of course, and the scheme will do both those things. The critical difference between it and the schemes that the previous Government ran is that the person purchasing the house has to provide a deposit. In addition, the amount of money going in from the Government will be reduced to make it much better value for money.

Simon Hughes: Will the Minister ensure that all the initiatives for first-time purchase and for shared ownership are well publicised in every local authority in England, and that the new homes bonus money can be used, where local authorities agree, for the maximum number of property builds and for the maximum number of people acquiring a property—through shared ownership or outright possession—for the first time?

Grant Shapps: I am very grateful for that question, not least because I am able to congratulate Southwark on today pulling in £2.6 million from the new homes bonus. That money certainly can be used in precisely the way it is required locally, and whatever the principal concerns are for local people. It is the way to incentivise more house building, and we will make sure that it works effectively alongside the Firstbuy scheme.

Toby Perkins (Chesterfield) (Lab): The Minister referred to the new scheme as relevant to the replacement of HomeBuy Direct, which as he is aware was the much more generous scheme that he scrapped just 10 months ago. Is this not another example of the Government introducing a new policy to make up for the fact that their previous policy has gone wrong?

Grant Shapps: The hon. Gentleman has got his facts wrong. HomeBuy Direct continues until 2012, so there is no question of its having come to an end. It was a funded scheme for a specific period which will come to an end at that point, so by launching another scheme that overlaps rather than replaces it, we have, I assume, achieved precisely what he would want.

Alison Seabeck (Plymouth, Moor View) (Lab): I make my usual declaration of an indirect interest in the entry in the register for my right hon. Friend the Member for Greenwich and Woolwich (Mr Raynsford).

HomeBuy Direct was a good scheme, and considering that the Minister called it an "expensive flop" I am delighted that the Government have seen fit, albeit somewhat late in the day, to enhance it further and, in many ways, to replicate it. Can he confirm that, as the *Financial Times* reported, this is nothing more than his admitting that he cannot fix the mortgage market? Has he not, as my hon. Friend the Member for Chesterfield (Toby Perkins) said, just wasted a vital 10 months, leaving hundreds of thousands of first-time buyers—not

tens of thousands, given the sort of scheme we are describing—with no hope under this Government of securing their own homes?¹

Grant Shapps: I am grateful to the hon. Lady for allowing me to clear up one thing. It is worth knowing that when I said that the HomeBuy Direct scheme had been an expensive flop, it had been launched 10 months earlier and had helped just five people to secure a home. It is true that the scheme has developed over a period of time and has helped people in between, but as I said in my previous answer—I appreciate that it was given after she had written her question, but none the less it is useful to connect the two—the previous scheme does not end until 2012. We are in 2011, and we have already announced a new scheme.

Unauthorised Development

8. **Mr Edward Leigh (Gainsborough) (Con):** If he will bring forward proposals to increase the powers of local authorities to tackle unauthorised development. [50347]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): The Government take the problem of unauthorised development seriously. Among other measures, the Localism Bill, which completed its Committee stage in the House of Commons on 10 March, includes provisions aimed at strengthening local planning authorities' powers to tackle the issue.

Mr Leigh: Unauthorised developments, particularly illegal Traveller sites, have poisoned relations in our communities. Can my right hon. Friend assure me that he will use to the full the new powers in his Localism Bill to ensure that local councils are given the powers they need to determine these issues on the basis of local need and historic demand, not imposed national quotas?

Mr Pickles: I am happy to give my hon. Friend that assurance. In addition, we will very shortly be consulting on the section 106 planning guidance, which deals with Gypsy and Traveller sites, and I hope that he will contribute to that consultation.

Bill Esterson (Sefton Central) (Lab): People in Hightown, Melling and Lydiat in my constituency are concerned at the possible development of the green belt. Will the Secretary of State take this opportunity to confirm whether the new legislation will make it harder for developers to build on the green belt, and will he allay the fears of many people that it is a developers' charter?

Mr Pickles: No, the way in which we intend to deal with problems of unauthorised developments is to get tougher. We are doing four things. We are going to deal with the question of concealed buildings and those who seek to hide a dwelling behind a construction; we will be increasing the penalties; we are going to ensure that people can appeal either for an enforcement order or a retrospective planning application, not both; and we are going to increase the ability to deal with fly-posting. Our general policy is this: we intend to ensure that the green belt is held solid and absolutely inviolate by this Administration. We are not going to follow the tenets of the former Labour Government by concreting over the green belt.

1. [Official Report, 9 June 2011, Vol. 529, c. 5-6 MC.]

Social Housing

9. **Mr John Leech (Manchester, Withington) (LD):** What assessment he has made of the potential effect on levels of homelessness of the proposed changes to rules on the changes in the treatment of tenancies in under-occupied social housing. [50348]

The Minister for Housing and Local Government (Grant Shapps): The security and rights of existing social tenants, including those who are under-occupying, will be protected in the reform of social housing. I have announced a £13 million scheme to help local authorities to offer tenants greater flexibility in their choices.

Mr Leech: I thank the Minister for his reply, but does he accept that the allocations policies of some local authorities, including Manchester, result in larger, hard-to-let properties being under-occupied through no fault of the new tenants? Given the one reasonable offer rule, surely some existing tenants will no longer be able to afford to stay in their property, and some potential tenants will not be able to afford to take the one reasonable offer.

Grant Shapps: My hon. Friend is absolutely right to say that there are problems with the allocation policy at the moment. One thing that we plan to do through the Localism Bill is to provide much greater flexibility to allocations. For example, if somebody is seeking to move home within the sector, they should not have to join the back of the regular queue. In addition, by the end of this year we will have set up a mobility scheme, which will cover 90% of homes in this country.

Mr Speaker: David Morris is not here. The grouping therefore falls and Mr Ruffley's question will follow later.

Green Spaces

12. **Mr Barry Sheerman (Huddersfield) (Lab/Co-op):** What steps his Department is taking to protect green spaces from development. [50351]

The Minister of State, Department for Communities and Local Government (Greg Clark): The coalition Government have moved fast to enable communities to protect their green spaces. Three measures stand out. The first is the end to the perverse classification of gardens as brownfield land, which has led to the destructive practice of garden grabbing. The second is the abolition of density targets so that developers have greater freedom to provide homes with gardens. The third is the introduction of neighbourhood plans, which will allow local people to safeguard green spaces and incorporate them in their vision of their community.

Mr Sheerman: Can the Minister therefore explain to me what on earth the Chancellor of the Exchequer was talking about in his Budget speech? One of the most important parts of the speech was on how he would free up the country to developers. Most people in Huddersfield now know that their green spaces—not green belt, but green spaces—are vulnerable to being built on.

Greg Clark: Of course they are not. At the moment, the regional strategies place a threat over communities, as the hon. Gentleman knows. He is a great localist, and he and I agree on this. I commend his blog to those on the Opposition Front Bench, who are chuntering away. There is a very persuasive piece on this matter under the title "The party I love is a party of ideals. That's why I back David Miliband". It states:

"I've always wanted to be in a party rooted in our diverse communities...nourished and reinvigorated by the ideas and aspirations that stem from our grass roots."

We are giving the grass roots the right to determine the future of their green spaces, something for which I welcome his support.

Mr James Gray (North Wiltshire) (Con): Rural buffer zones and other planning designations protect areas such as my constituency from the westward expansion of Swindon. Does the Minister agree that, leaving aside the green belt, we have all kinds of ways in which to protect our countryside from excessive building?

Greg Clark: My hon. Friend is right that development must be sustainable and must not compromise the ability of future generations to enjoy the environment that we have. The Government's policy has always been clear in that regard.

Local Government (Employment)

14. Nic Dakin (Scunthorpe) (Lab): What assessment he has made of the likely effects of reductions in Government funding on the number of people employed by local authorities in 2011-12. [50353]

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): The Department makes no such centralised estimates for the good reason that it is for individual councils to make their own decisions about how their local work forces are organised and managed to ensure the efficient delivery of services for local taxpayers.

Nic Dakin: The Tory-led Local Government Association has made the estimate, however, that 140,000 jobs will go as a result of these policies. PricewaterhouseCoopers has said that for every job lost in the public sector, one will go in the private sector. That makes almost 300,000 jobs. How on earth can that help the recovery?

Robert Neill: That is because the Government are committed to reducing the deficit to enable a proper and sustainable private sector-led recovery. That is no doubt why the Office for Budget Responsibility has demonstrated that there will be an increase in private sector jobs of 1.3 million over the same period. That is nearly four times the figure quoted by the hon. Gentleman.

Charlie Elphicke (Dover) (Con): Is it not the case that if councils used their reserves more effectively, unlike Manchester city council, and did not keep sending officers out of the door at half a million a pop, like Nottingham city council, so many jobs would not have to be lost?

Robert Neill: My hon. Friend is quite right. The Government have made it abundantly clear that significant sums are held by local authorities in reserves, much of which is not allocated. Sensible use of those funds at a time of financial crisis would enable councils to protect their front-line services.

Leisure Facilities

16. Alec Shelbrooke (Elmet and Rothwell) (Con): What recent representations he has received on local authority funding for leisure facilities. [50355]

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): We have received four parliamentary questions and a number of letters that included references to local leisure facilities.

Alec Shelbrooke: May I urge the Minister to take a closer look at Labour-led Leeds city council, which is cutting funding to Garforth leisure centre in my constituency yet continues to waste taxpayers' money, such as £6 million on new furniture?

Robert Neill: I hope the council did not go to the same suppliers that gave our Department the sofas and the peace pod. I note that Leeds city council has £32 million in its reserves, and I hope that it might consider a use for that money to support facilities in my hon. Friend's constituency.

Local Authority Executive Pay

17. Mr David Ruffley (Bury St Edmunds) (Con): What recent representations he has received on the levels of remuneration for local government executives. [50356]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): Representations have been received from Members of Parliament, leaders of local authorities, trade union branches and members of the public. Although it is a matter for individual councils, we expect restraint and leadership to be shown locally when setting senior pay. We have introduced measures in the Localism Bill to increase local democratic accountability for decisions on senior pay. We have also been consulting on proposed new transparency arrangements for local government, including how public money is used in relation to senior pay.

Mr Ruffley: Forty-three per cent. of chief executives are paid more than the Prime Minister, and their pay has increased by more than 78% in the past five years. Does my right hon. Friend agree that this culture of excessive pay is a direct result of the last Labour Government's consistent ability to spend more than this country could afford?

Mr Pickles: I entirely agree. Chief executives' pay has got completely out of kilter. There are now 800 local government employees in the top 1% of all earners according to Will Hutton's figures. With regard to the chief executive of Suffolk, that county does many fine things and is an exemplar authority in many ways, but

the chief executive's refusal to take a pay cut has meant that she has detracted from Suffolk's many fine achievements.

Mr Andy Slaughter (Hammersmith) (Lab): Will the Secretary of State look in particular at the case of Mr Nick Johnson, who for the past four years has supplemented his local government ill health retirement pension by being paid £1,000 a day by Hammersmith and Fulham council, so that when he leaves later this year he will have taken almost £1 million from taxpayers? In doing so, will the Secretary of State ignore the fact that the local Conservative party says that Mr Johnson is good value for money, and that he has advised the Tory party on housing policy?

Mr Pickles: I kind of understand that it has never been a glad morning since the hon. Gentleman lost his position as housing chairman at Hammersmith. Frankly, abusing somebody from the safety of this Chamber does him no credit at all.

Council Tax

18. **Christopher Pincher** (Tamworth) (Con): What change in band D council tax he expects (a) on average in local authorities in England and (b) in Tamworth borough between 2010-11 and 2011-12. [50357]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): Average band D council tax for all local authorities in England, including Tamworth, is unchanged between 2010-11 and 2011-12.

Christopher Pincher: I am grateful to my right hon. Friend for that answer. By sharing back-office services with Lichfield district council and by bearing down on furniture and other equipment costs, Tamworth borough council has managed to keep council tax frozen, reduce its spending and ensure that it is doing a good job. Will my right hon. Friend please commend the Conservative-controlled council, and its retiring value-for-money chief executive David Weatherley, for the work that they have done?

Mr Pickles: Of course my hon. Friend has much to be proud of in Tamworth council. It clearly cares about front-line services and is not prepared, as some Labour councils have been, to use the poor as a battering ram against the Government for base political motives.

Section 106 Revenue

19. **Caroline Nokes** (Romsey and Southampton North) (Con): What plans he has for the future of rules governing the use of section 106 moneys collected by local authorities. [50358]

The Minister of State, Department for Communities and Local Government (Greg Clark): The Government are committed to delivering a simplified, locally driven planning system that supports sustainable economic growth and development. A key part of that is the framework that ensures that local communities benefit directly from development. We intend to retain section 106

agreements in a scaled-back form, alongside the community infrastructure levy, to fund local infrastructure and community facilities.

Caroline Nokes: Given that commitment to empowering local people, is there any intention to provide greater flexibility to parish councils, such as Sherfield English parish council, which desperately want to use accumulated section 106 moneys, but cannot do so under current rules?

Greg Clark: The answer is yes. The Localism Bill centres on giving greater discretion to local communities to use the funds that come with developments so that they can invest in infrastructure locally. We know that one of the sources of opposition to development is people's reasonable fear that they will not get the infrastructure that the development requires. We are changing that through the Bill.

Duncan Hames (Chippenham) (LD): A recent scrutiny report at Wiltshire council revealed that it had failed to claim £16 million of section 106 agreements to date. Given the pressures on councils to spend on and invest in the infrastructure in their communities, does the Minister agree that now would be a good time to make such claims?

Greg Clark: It would be an excellent time. My hon. Friend's suggestion should apply to councils throughout the country.

Mr Speaker: I call Robert Halfon. He is not here. I therefore call David Rutley to ask Question 21.

David Rutley (Macclesfield) (Con) *rose*—

Mr Speaker: Order. I apologise. The hon. Member for Harlow (Robert Halfon) has just entered the Chamber. He is only just in time, but he is here.

Council Tax

20. **Robert Halfon** (Harlow) (Con): What recent estimate he has made of the average change to council tax bills for households in (a) Harlow, (b) Epping Forest and (c) Essex between 2010-11 and 2011-12. [50359]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): It is good to see my hon. Friend in his usual place.

Council tax bills for Harlow, Epping Forest and Essex are unchanged between 2010-11 and 2011-12. That pleases me, too, as my hon. Friend and I are constituency neighbours and share Epping Forest and Essex.

Robert Halfon: It is the second year in a row that Harlow council has frozen council tax without having a major impact on front-line services. Will the Secretary of State meet Harlow councillors to learn how their example can be spread throughout the country?

Mr Pickles: As my hon. Friend is my neighbour, it will obviously be a pleasure to visit an exemplar council, which is doing the right thing: protecting front-line services and keeping down the council tax.

Mr Speaker: I call Mr David Rutley, whose patience is rewarded.

Efficiency Savings

21. David Rutley (Macclesfield) (Con): What mechanisms his Department is using to achieve efficiency savings in its budget for 2011-12. [50360]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): My Department will deliver efficiency savings in the next financial year by driving down our core running costs and through key contracts that have been renegotiated. This is expected to deliver efficiency savings of around £11 million: £4.2 million from information technology, £6.5 million from buildings and £0.6 million from facilities management.

David Rutley: I welcome the steps that the Secretary of State is taking to realise efficiency savings and improve accountability and transparency. Does my right hon. Friend agree that more must be done to create a real value-for-money culture in more local councils in the country, and that that aim should feature more strongly in public servants' objectives so that it is reflected in their work in the communities and for council tax payers?

Mr Pickles: My hon. Friend makes a reasonable point. It is particularly important for my Department to take a lead. That is why we have been so keen to reduce the central costs of our budgets and to take a lead in reorganising the Department to recognise its changing role, whereby it no longer dictates to local government, but tries to enable more power to go to local communities.

New Social Housing

22. Kerry McCarthy (Bristol East) (Lab): What estimate his Department has made of the likely number of new social housing starts between May 2010 and April 2015. [50362]

The Minister for Housing and Local Government (Grant Shapps): We are investing £4.5 billion in new affordable housing over the next four years, with the hope of producing 150,000 new affordable homes.

Kerry McCarthy: I thank the Minister for his reply, although I note that he referred just to affordable housing, not to affordable social housing. Given the imminent publication of the Government's child poverty strategy, what conversations has he had with colleagues in other Departments about the impact of the lack of affordable social housing on achieving our child poverty targets?

Grant Shapps: The hon. Lady is right to draw the subject to the House's attention. It is sadly true that there were 45,000 fewer affordable social homes in this country following 13 years of her party's being in power. I have had extensive conversations with colleagues across Government to ensure that, in the next 13 years—or at least in the next four—a significantly greater number

of social, affordable and all types of homes will be built across the social and regular housing sectors because this country needs homes, for which the new homes bonus will provide a significant boost.¹

Mr David Ward (Bradford East) (LD): Does the Minister agree that special measures are likely to be required in areas such as Bradford, which has low market rents, because raising our rents up to the 80% level will yield no additional funds for new social housing starts?

Grant Shapps: Let us be clear that the existing social housing programme continues—£2.2 billion goes into that. An additional amount will go into affordable rent. Affordable rent does not mean 80% of market rent. The key words are “up to” 80% of the local market rent, meaning that in some areas, the figures will be somewhere in between social rent and the market rent, but not necessarily 80%.

Mr Nick Raynsford (Greenwich and Woolwich) (Lab): May I draw attention to my entry in the register?

Will the Minister admit that he will not build any social rented homes at all, and that the ones that will be built are all inherited from the previous Government? His policy of so-called affordable rented homes—at 80% of market rents—will not produce any social rent properties, and even worse, it will require the conversion of former social rent properties to so-called affordable rent properties when they become available for re-let. That means no new affordable social rented homes, and more people waiting for a home that they can afford.

Grant Shapps: It seems obvious to me that if homes are not built today or at least at the time of the election, and we subsequently build them, they will be counted in the homes that we build. The fact that we have decided to continue to put £2.2 billion into the build programme in addition to the affordable rent programme means that we will out-build the previous Labour Government not just over four years, but in comparison to their 13 years, in every single year.

Shared Ownership Schemes

23. Jane Ellison (Battersea) (Con): What steps his Department is taking to increase the flexibility of access to shared ownership schemes for first-time buyers. [50363]

The Minister for Housing and Local Government (Grant Shapps): The Government are committed to supporting those who aspire to own their own homes. As announced in the Budget, we are introducing the Firstbuy equity loan scheme, and the Homes and Communities Agency's affordable housing programme in 2011 to 2015 will include affordable home ownership where appropriate in local circumstances.

Jane Ellison: I very much welcome that additional flexibility. Some of my constituents have said that they find existing schemes to be a bit over-bureaucratic, particularly as regards the relationship between where people live and where they work. I hope the Minister will look to new schemes to reduce the hurdles that face first-time buyers.

¹./Official Report, 8 June 2011, Vol. 529, c. 3 MC.

Grant Shapps: My hon. Friend is absolutely right to point out that the bureaucratic burdens have become a complete nightmare. When the Labour party eventually gets to the point of reflecting on why it was booted out of power, it will realise that one reason was that the level of bureaucracy—the top-down diktats and the impossible paperwork before anyone could do almost anything in this country, particularly build homes—led to fewer homes being built than at any time post-war.

Topical Questions

T1. [50329] Annette Brooke (Mid Dorset and North Poole) (LD): If he will make a statement on his departmental responsibilities.

The Secretary of State for Communities and Local Government (Mr Eric Pickles): I am sure the whole House would like to place on record its gratitude for the professionalism and commitment of the 60 firefighters who are deployed as part of the UK's international search and rescue team assisting the victims of Japan's earthquake and tsunami. With the number of dead and missing growing daily, our thoughts are with the brave Japanese people.

The Budget revealed our plans to help support local enterprise and jobs, including the extension of the business rates holiday for small firms and small shops. The Department is the lead Department for enterprise zones, and we will make further announcements in the coming weeks. Letters detailing the first payments of the new homes bonus go out to local authorities today. The Department has published its plans for a future of local audit and delivery that is better value for money for taxpayers than the failed Audit Commission regime. The new rules to stop unfair competition from municipal newspapers are now in effect. I am sure that local press and the public noticed that Labour MPs voted en bloc to defend town hall *Pravdas*.

Mr Speaker: That was a very long answer, but I am sure they will be shorter in future.

Annette Brooke: May I associate myself with the Secretary of State's comments on those brave firefighters, and express sympathy for the people of Japan?

With reference to the review of the statutory duties placed on local authorities, the Secretary of State will be aware that there is a great deal of concern among families with disabled children and young people. Can he give us some clarity on this matter, and confirm that no changes will be made to statutory duties relating to that group without formal consultation and a full impact assessment?

Mr Pickles: I think I can go further than that and tell my hon. Friend that we will not be making any changes to that duty. I am grateful to her for raising this issue because it comes out of an agreement between the Government parties and the Local Government Association in which we decided to get an audit of statutory duties. That has been established for the first time, but the fact that we have been able to count those numbers does not mean that we are going to make any significant reductions in them—certainly not in relation to the matters to which she has referred.

Caroline Flint (Don Valley) (Lab): May I associate the Opposition with the Secretary of State's comments about the people and firefighters in Japan? There, as in this country, the emergency services go towards danger to save others and our thoughts are with those in Japan at this time.

It seems that with every passing day Ministers are being forced to rethink ill-thought-through policies. One Government policy that councillors and the public do not understand is the decision to front-load cuts to council budgets. Will the Secretary of State tell councillors, communities and Members of the House why it was necessary for the heaviest cuts to local government to fall in this first year?

Mr Pickles: I am grateful for the right hon. Lady's remarks about our firefighters. May I respectfully remind her that the Labour party was due to introduce cuts this year and that local government was not protected and therefore would have faced higher cuts under Labour than under the coalition Government?

Caroline Flint: There is no evidence of that and I assure the right hon. Gentleman that Labour would not have front-loaded the cuts to local government. As on many occasions, the Secretary of State has not answered the question and has left us with no idea why the front-loaded cuts were necessary. As was said earlier, the Housing Minister let slip that the Government knew all along that Labour councils representing the poorest areas of our country were getting the worst of the cuts. Is it fair that while the Secretary of State's own local council loses just £17 per head this year, councils such as Manchester and Liverpool, which he has criticised, are losing nearly 10 times as much?

Mr Pickles: My local council has a budget that would have been lost in the sub-committees of Manchester city council. Labour's Budget in March 2010 admitted there would be cuts to regional development agency regeneration, the working neighbourhoods fund, the local enterprise growth initiative, the housing and planning delivery grant and time-limited community programmes—and that was just the start. The front-loaded cuts from the Labour party would have meant £14 billion-worth of cuts falling in this year. Under Labour cuts, unprotected Departments would have received an average real-terms cut, over the spending review period, greater than those under the coalition's deficit reduction plan.

T2. [50330] Tim Farron (Westmorland and Lonsdale) (LD): Because of mistakes made by Cumbria county council in its single status process, Cumbria's outstanding teaching assistants face a 30% drop in pay and deprofessionalisation. Will the Minister meet me, representatives of Cumbria's teaching assistants and the county council to find a solution to this impasse so that Cumbria's teaching assistants can be fairly rewarded and Cumbria's children can be properly supported?

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): I am always happy to meet my hon. Friend, but I am sure he will understand that the role of central Government in relation to local government pay and work force issues is extremely limited because they are rightly for local councillors to decide in local circumstances.

T3. [50331] **John Mann** (Bassetlaw) (Lab): Planning applications for wind farms, Travellers' sites and new housing—which of those will parish councils be given a veto over and when?

Robert Neill: I suggest that the hon. Gentleman awaits the publication of the details of our national planning policy framework, which will set out the parameters within which all local plans will be drawn up.

T4. [50332] **Tony Baldry** (Banbury) (Con): Parish councils are an important part of the structure of local government, but they often feel that they have to take an unfair and disproportionate regulatory burden, the latest of which is that they will all be obliged to employ their parish clerks, with all that entails, such as making national insurance contributions, although many such clerks get only an honorarium, which they could easily declare in their annual personal tax return. Does my right hon. Friend agree?

Mr Pickles: My hon. Friend remarks on an issue of some importance, particularly to smaller parishes. I am a little surprised that some of the professional organisations associated with parish councils have welcomed the move, but I think it would be sensible for my hon. Friend to meet me and a Treasury Minister to see if we can sort this matter out.

Graham Jones (Hyndburn) (Lab): In June, east Lancashire was hit hardest by the area-based grant reductions, and in October, it was again hit hardest by the reductions in the support grant and the axing of the housing market renewal programme. Today we find out that east Lancashire authorities feature in the bottom 27 for payouts under the new homes bonus. In fact, my Conservative council is to receive just £62,000—despite being one of the most deprived in the country—out of 350 authorities. It is understandable why—we have 1,300 empty properties and a Conservative council—but does the Secretary of State accept that the new homes bonus is unfair and hitting the deprived hard?

Mr Pickles: The hon. Gentleman should recognise that we have done what he asked us to do, which is to bring those empty homes into the new homes bonus and turn empty homes into property. He and the House also need to understand that the allocation of the new homes bonus is about building houses or bringing derelict houses back into use. It is not on the basis of permissions; it is about getting things built. My advice to him is to get back to his council and tell it to get building.

T5. [50333] **Duncan Hames** (Chippenham) (LD): In last week's Budget debate, the Secretary of State told the House that at the heart of his approach to planning was a presumption in favour of sustainable development. What does he understand sustainable development to be?

The Minister of State, Department for Communities and Local Government (Greg Clark): It is a very good question. The Brundtland commission captured the classic definition of sustainable development, which is development that does not compromise the needs of future generations in meeting the needs of the present generation.

Gloria De Piero (Ashfield) (Lab): Ministers will have seen the wealth of evidence showing that increased street lighting leads to lower levels of crime, so do they share my concern that Nottinghamshire county council wants to reduce street lighting and will they join me in urging it to think again?

Mr Pickles: My own local authority is considering similar measures, and providing that that is done at a reasonable time, in the early hours of the morning, it is a sensible move towards greening our provision. However, in places where there are difficulties with crime, I would expect local consultation to take place.

T6. [50334] **Damian Hinds** (East Hampshire) (Con): Can the Minister give an update on the expected timing of a further announcement on the proposed eco-town at Bordon, and does he agree that there should be a local referendum before any large-scale development there takes place?

The Minister for Housing and Local Government (Grant Shapps): Just to be clear, my hon. Friend raises an important subject, because eco-towns were being pushed on to areas without local communities having any say about them. Indeed, there was even a separate planning policy statement about eco-homes under the previous Government. We are not in the game of pushing communities into building homes in ways that are not compatible or sustainable locally. I am absolutely certain that my hon. Friend's local authority will want to take notice of all local opinions and balance that against things such as the new homes bonus benefits, which it will get from building new homes.

Simon Danczuk (Rochdale) (Lab): Does the Secretary of State still believe that abolishing the Audit Commission will provide savings of £50 million a year, or has that figure been revised?

Grant Shapps: The hon. Gentleman raises a point about the abolition of the Audit Commission, which I see is still going out to promote its cause in the weekend newspapers. The reality is that we need local audit that is efficient and brings competition into the marketplace. We see no reason whatever to have the country's fifth biggest auditor owned by this Government.

T7. [50335] **Mr John Leech** (Manchester, Withington) (LD): I was shocked to hear in the media that disabled people under-occupying homes will have their housing benefit cut. Can the Minister either dispel that rumour, or at least tell the House what estimate he has made of the cost of rehousing those disabled people and then carrying out the necessary adaptations in their new homes?

Grant Shapps: Of the changes that we are making in affordable housing and social housing allocations, the most important thing is protecting the most vulnerable people. The whole House will agree that when resources are tight, paying for spare rooms—rather than paying for people to live in the homes that are available—does not make sense. In those changes, however, we will ensure that disabled people are protected in the best possible way.

Tristram Hunt (Stoke-on-Trent Central) (Lab): The last Labour Government oversaw the greatest renaissance of our cities since the Victorian age. Central to that was the densification of development on brownfield sites. Why have the Government junked that policy for more sprawl, the destruction of the countryside and the gutting of our cities?

Greg Clark: Under the previous Government's target, gardens in cities, which make a huge contribution to the biodiversity and pleasantness of life in cities, were erased. We have got rid of that, and our cities can breathe easily as a result.

T8. [50336] **Charlie Elphicke** (Dover) (Con): How does the Localism Bill help communities like Dover and Deal?

Greg Clark: Dover and Deal are fortunate indeed to have a representative who is as passionate a localist as my hon. Friend. I know that he is crusading to have the port of Dover retained in the hands of the local community. As Members know, the Localism Bill provides an opportunity for local communities to make a bid for assets of community value—and I dare say this might provide such an opportunity.

Andrew Gwynne (Denton and Reddish) (Lab): Given the Secretary of State's well-publicised comments about "Pravda on the rates" and his desire to stop unnecessary council publications, what message does he have for Liberal Democrat-controlled Stockport council, which continues to publish the "Civic Review", promoting only Liberal Democrat councillors just weeks before the local elections?

Mr Pickles: I would say to my hon. Friends, "Beware of friendly fire."

T9. [50337] **Mark Lancaster** (Milton Keynes North) (Con): My constituents support the Localism Bill and the empowerment it will bring to local communities, particularly in the world of planning, but can the Minister

reassure my constituents that the announcements about growth and planning applications in last week's Budget will not be contradicted?

Greg Clark: My hon. Friend is right. I can certainly give that assurance. He will know that in our election manifesto and in the coalition agreement, we said that we would bring in neighbourhood planning and a presumption in favour of sustainable development. We are doing that.

Mrs Mary Glendon (North Tyneside) (Lab): Residents of Wideopen in North Tyneside have for a number of years defended a green open space from development. They won one appeal, but the latest planning application has resulted in a public inquiry. Will the Secretary of State commend the residents on their commitment to save the open space and please agree to meet me about this matter?

Mr Pickles: The hon. Lady will, I am sure, understand that I deal with these matters in a quasi-judicial way, so it would be inappropriate for me to make any comment that might be interpreted as prejudging any appeal.

T10. [50338] **Karen Lumley** (Redditch) (Con): Does the Minister agree that shared services are the way forward in local government? The chief executive of Redditch and Bromsgrove councils, Kevin Dicks, has already managed to save hundreds of thousands of pounds by uniting services between the two councils. Is this not the way to cut costs while improving services?

Mr Pickles: My hon. Friend makes an excellent point. I am pleased to see that local authorities up and down the land—regardless of whether they be county, district or metropolitan—are increasingly looking towards joining together to get better value and protect the front line. I am truly sorry that that enthusiasm is not shared by Opposition Members.

Armed Forces Redundancies

3.32 pm

Mr Jim Murphy (East Renfrewshire) (Lab) (*Urgent Question*): To ask the Secretary of State for Defence if he will make a statement on armed forces redundancies.

The Parliamentary Under-Secretary of State for Defence (Mr Andrew Robathan): Today, the Army and the Royal Navy will announce details of their tranche 1 redundancy fields, setting out the specialisations, branches and ranks from which we are seeking volunteers for redundancy. This was a planned, publicised and expected announcement, following that already completed for the Royal Air Force on 1 March this year to deliver the necessary reductions in the size of our armed forces as required by the strategic defence and security review.

We had wanted to lay a written ministerial statement at 4 o'clock this afternoon—a time chosen by the services to allow sufficient time for them to brief service personnel ahead of their hearing about it from a third party. Indeed, many will have read a story on armed forces redundancy published in *The Daily Telegraph* on Saturday. It was extremely disappointing that any details were leaked and equally appalling that the press would publish a story that will in no way change the difficult decisions we have to make, but adds a further concern to service personnel and their families—a position we have striven to avoid. Indeed, it was to allow all personnel to be briefed that we passed details to the chain of command on Friday.

As has been made clear in this House on several occasions, we would prefer not to make anyone redundant, but we have to do this to make the very real required savings in defence costs to take control of the deficit. As has been emphasised, this Government will not, for political expediency, shy away from announcing details when they are expected; our armed forces deserve this honesty.

The redundancy programme will not impact adversely on the current operations in Afghanistan or in Libya, where our armed forces are fighting so bravely on this country's behalf. This was a key assumption in the strategic defence and security review. We will inform all those individuals selected for redundancy in this, the first of up to four tranches, in September 2011—specifically, 1 September for the Army and RAF and 30 September for the Royal Navy. Those voluntarily leaving the armed forces will do so within six months; non-volunteers will do so within a year. For all those leaving the armed forces as a result of these changes, every effort will be made to assist in what can often be a difficult transition. We will continue to work hard in this area. Our people deserve nothing less.

Mr Murphy: For the third time in just seven weeks, Ministers have had to be summoned to the House of Commons to speak about the treatment of our armed forces. I should have thought that after the sacking of warrant officers by e-mail and the sacking of trainee RAF pilots by media press release, Ministers would be banging on your door, Mr Speaker, demanding the right to come here to make a statement rather than being summoned to appear before the House. Let us hope that this is the last occasion on which Ministers will be dragged here to explain their Department's

actions. On previous occasions the Secretary of State has simply shouted some political slogans across the Chamber, and I hope that the change of Minister today signals a change in tone, because armed forces families are expecting a different tone.

Labour Members are committed to a bipartisan approach to policy on both Afghanistan and Libya. The Secretary of State originally gave a commitment that none of those currently serving in Afghanistan would be sacked on their return, but has since had to admit that he cannot honour that commitment, and that personnel will be sacked after their post-operational leave. Can the Minister confirm that those serving in and around Libya at this very moment will also be liable for compulsory redundancy in September?

As for the sacking of RAF trainee pilots, the Secretary of State said—quite fairly, I thought—

"It would make common sense to ensure that those closest to the end of their course could be allowed to continue, if possible."—*[Official Report, 15 February 2011; Vol. 523, c. 820.]*

How much common sense has prevailed? How many trainee pilots have been sacked within just 10 hours of earning their RAF wings?

We all know that no one can stop all redundancies in the Ministry of Defence. However, the first time this was mishandled, Ministers said that it had been an accident. The second time, they said that it had been a mistake. In the opinion of Labour Members, the third time is simply inexcusable. It is time for this shabby treatment of our armed forces to end, and it must end soon.

Mr Robathan: This is no accident. On 1 March, the Secretary of State said in response to a question from the right hon. Gentleman that there would be an announcement today on redundancies as they were planned. *[Interruption.]* It was in the House of Commons. As Opposition Front Benchers know full well, it was planned for a written ministerial statement to be issued at 4 pm, and indeed I was going to conduct a briefing for Members of Parliament in all parties to explain the situation. Instead, the shadow Secretary of State, the right hon. Member for East Renfrewshire (Mr Murphy), has decided that a Minister should come to the House of Commons. What we are announcing is not new; this is political expediency on the part of the Labour party. The right hon. Gentleman was told on 1 March that the written ministerial statement would be issued.

The right hon. Gentleman raised three points in particular. First, he mentioned redundancies following post-operational leave. Of course those who have served in Afghanistan may have to be considered for redundancy, because 55% of the Army *[Interruption]*—which, as Opposition Members have spotted, amounts to 11 out of 20—will have served in Afghanistan.

Secondly, the right hon. Gentleman raised the issue of people on operations in Libya. We do not yet know what operations will be current in September, when people will receive their redundancy notices. We are considering the matter carefully, and we would certainly not wish to make anyone who is serving on combat operations redundant.

Finally, the right hon. Gentleman asked about redundancies of RAF pilots who had only had 10 hours of training to go. I am afraid I cannot comment on that, but I shall write to the right hon. Gentleman and let him know the answer.

Mr John Redwood (Wokingham) (Con): Will the Minister remind the House how many uniformed armed services personnel will need to leave the service over the next two years under the current plans, and will he tell us why this cannot be done by means of natural wastage rather than redundancies?

Mr Robathan: As far as possible, it is being done by means of natural wastage, and indeed by reducing recruiting, but, as my right hon. Friend will understand, we must continue to recruit because otherwise there will be an imbalance in the armed forces. The number that we are looking at, off the top of my head—in fact I have it here, if my right hon. Friend will wait one second—is 11,000.

Mr Bob Ainsworth (Coventry North East) (Lab): The Minister says these cuts will have no impact on either Afghanistan or Libya, but can he confirm that, despite the leading role we have played in the Libya operation, we are providing only about 8% of the aircraft being used in the no-fly zone and the Chief of the Air Staff has today said that the Royal Air Force is stretched to breaking point? How does the Minister square the following three points: the stretch, the fact that we are providing only 8% of those aircraft, and his insistence that the cuts are having no effect on operations?

Mr Robathan: I know that the right hon. Gentleman played a very honourable part in the last Government explaining to the then Prime Minister how he was trying to increase operational capacity without increasing spending, and I know that he pointed out to the last Prime Minister that there was not enough money for our operational requirements. On the Royal Air Force in particular, as the Prime Minister said in October, and as the Chief of the Air Staff has confirmed and explicitly stated in his article, we wish to see an uplift in real-terms defence spending from 2015. The Prime Minister has said that.

Dr Andrew Murrison (South West Wiltshire) (Con): Will my right hon. Friend outline the extent to which the rules on regular reserve liability will affect those being made redundant, and confirm that those who do have that liability will be kept close, up to date and informed, as they form a very valuable potential contingency in the event of a declining international situation?

Mr Robathan: I could not agree with my hon. Friend more. The regular reserve personnel do indeed play a very important role, and I will make sure that they are kept informed.

Mr David Hamilton (Midlothian) (Lab): May I point out to the Minister that the armed forces do not have any trade union or federation representing them, and it is up to everyone in this House to look after their interests? What is the Minister doing to ensure that, for those who might be affected by these cuts, there are after-care services in place so they have assistance in looking for jobs and families are not moved out their homes? What are we as a Parliament going to do to ensure that we look after the people who protect this country?

Mr Robathan: The hon. Gentleman is absolutely right: we have a responsibility to make sure our armed forces personnel and their families are properly looked after, and that is what I do. I should say that in September when individuals are issued with redundancy notices, volunteers for compulsory redundancy—that is the way it is put—will have six months of notice to work, while those who are compulsory non-volunteers will have 12 months of notice to work. They have full resettlement courses, which are extremely valuable, and I should say to both the House and the people outside that the personnel who serve in the armed forces are first rate and almost invariably find that outside employers wish to take them on because of their qualities.

Nadhim Zahawi (Stratford-on-Avon) (Con): Will my right hon. Friend confirm that the strategic defence and security review has factored in operations such as the one we are undertaking in Libya, and that we will retain the personnel to be able to respond to such events again?

Mr Robathan: I am grateful to my hon. Friend for that question, because he is absolutely right. The National Security Council came up with various scenarios, including operations such as the one in which we are currently partaking in Libya.

Mr Jim Cunningham (Coventry South) (Lab): Will the Minister say how many people in the armed forces will be made compulsorily redundant?

Mr Robathan: All 11,000 redundancies are termed compulsory. We are hoping that we will receive volunteers for as many posts as possible, but we are not just going to accept volunteers because some of them will be people we wish to keep, so we will not want them to enter the redundancy programme.

Mr James Gray (North Wiltshire) (Con): We all very much regret every single compulsory redundancy under this deficit-driven SDSR, but we none the less accept they have to happen. Does the Minister agree that it is terribly important that those involved are given the most generous possible conditions of redundancy, whether voluntary or compulsory, in keeping, of course, with their normal terms of service?

Mr Robathan: Yes, I do agree. Individuals will find that the terms of redundancy are generous and attractive, which is why we expect a lot of people to volunteer.

John Woodcock (Barrow and Furness) (Lab/Co-op): Will the Minister order an official inquiry into the way that our armed forces personnel continue to learn of their fate through the newspapers, and will that inquiry investigate Ministers themselves?

Mr Robathan: No.

Dan Byles (North Warwickshire) (Con): For the sake of clarity, will the Minister confirm that the reductions in manpower announced today are not in addition to

[Dan Byles]

anything announced in the strategic defence and security review? Were all the reductions planned, and had the Minister always planned on coming to the House today to announce them?

Mr Robathan: Indeed, we announced to the House on 1 March that the redundancy programme would be announced on 4 April. That is exactly what was planned in the SDSR and there is nothing in addition. I am sorry that some people have wished to make political capital of the matter.

Paul Flynn (Newport West) (Lab): Why do two out of three items of vital equipment fail to reach our combat troops on time?

Mr Robathan: I have known the hon. Gentleman for a long time and know that he takes a particular interest in these issues, but I do not think his facts are correct on this occasion. There were issues in the past but—and here I will be rather consensual—equipment procurement got a lot better during the final years of the previous Administration. Equipment procurement is now much better, particularly in operational areas.

Mr Speaker: I am grateful to the hon. Gentleman and the Minister for his doughty response. We will now return to the subject of redundancies.

Jason McCartney (Colne Valley) (Con): Thank you, Mr Speaker. I have no doubt about the ability of our armed forces to fulfil the tasks given to them, but I have some worries about morale. Will the Minister join me in appealing to the media to take a responsible attitude to the way they report these facts, and to have respect for the chain of command?

Mr Robathan: I agree with my hon. and gallant Friend because, like him, I have served in the armed forces and I find the political posturing and use of the

media in these cases deeply regrettable. All that does is create an atmosphere in which people are uncertain and concerned about their futures.

Ian Lucas (Wrexham) (Lab): Is the right hon. Gentleman aware of the UK manufacturing industry's profound disquiet at the continued reduction in the capacity of the armed forces? Has he discussed such matters with the Secretary of State for Business, Innovation and Skills, or only with the Treasury?

Mr Robathan: UK defence manufacturing is not my responsibility and I have not discussed it with the Secretary of State.

Rehman Chishti (Gillingham and Rainham) (Con): Will the Minister confirm that the redundancies apply only to regular and not reserve forces?

Mr Robathan: I am confident that the review into reserve forces, "Future Reserves 2020", will lead to a more robust reserve forces scenario and I look forward to reading it shortly.

Chris Bryant (Rhondda) (Lab): In his initial comments, the Minister deplored the fact that these details had been leaked to the media, yet he said to my hon. Friend the Member for Barrow and Furness (John Woodcock) that he would not hold an investigation into the matter, and that he would not be looking into Ministers' offices. That is despite the fact that there have been regular briefings that clearly cannot have come from anywhere other than the Ministers' offices. He cannot have it both ways; he must stop briefing and ensure that newspapers do not get these stories unfairly.

Mr Robathan: I find it a strange accusation that I have been briefing the media on redundancies in the armed forces. It is not a pleasant subject and has not given the Government tremendously good publicity—I think we can agree about that. On past occasions, the Secretary of State has indeed instituted investigations into leaks, but I assure the House that this leak did not come from Ministers.

Africa and the Middle East

3.48 pm

The Secretary of State for Foreign and Commonwealth Affairs (Mr William Hague): Mr Speaker, with permission, I will update the House on recent developments in Africa and the middle east. Before I do, I know that hon. Members on both sides will wish to join me in expressing sadness and outrage at the killing of seven international UN workers in Afghanistan this weekend. They put themselves in harm's way to support a better life for the Afghan people. I pay tribute to those who died and call for their killers to be brought to justice.

The House will also share our concern about the heavy loss of life in Côte d'Ivoire. The UN has confirmed at least 462 deaths and up to 1 million people have been displaced. I discussed the situation this morning with Jean Ping, who chairs the African Union Commission. The African Union has led mediation efforts. We are also in close contact with the rightful President, Mr Ouattara. The Security Council will meet tomorrow to discuss its response. We call for an end to the violence, for defeated former President Gbagbo to step down, for all human rights abuses to be investigated and for the International Criminal Court to investigate the crimes that appear to have taken place.

We also remain in close contact with the small British community in Côte d'Ivoire. Since December, our advice to British nationals has been to leave the country. France is leading on plans to evacuate nationals of EU nations if it becomes necessary. We have sent a rapid deployment team to Paris, ready to be part of any evacuation, and consular officers in the region are on standby.

Britain continues to play its part in the implementation of UN Security Council resolution 1973 to protect civilians in Libya, and 34 nations are now providing a range of assistance. NATO has assumed full operating capability over all military operations, and since Thursday, a total of 701 sorties and 276 strike sorties have been conducted. The coalition has all but eliminated the regime's air defence capability and stopped it bombarding Libyan cities from the air. We are destroying key regime military assets, including main battle tanks and mobile artillery. The arms embargo is being enforced. We have prevented a huge loss of life and a humanitarian catastrophe.

However, the regime is still able to inflict considerable damage on Libya's civilian population using ground forces, and indeed is deliberately inflicting such harm, particularly in the towns of Brega, Misrata and Zintan, where the heaviest fighting is taking place. So long as the regime continues to attack areas of civilian population, the coalition will continue military action to implement the UN Security Council resolution. We take every precaution to minimise the risk of causing civilian death and are seeking verification of incidents where this nevertheless may have happened.

We are one of more than 30 nations contributing to the humanitarian effort in Libya. Food distribution is taking place at six locations in opposition-held areas in the east of the country. The World Food Programme has more than 10,000 tonnes of food positioned inside Libya and neighbouring countries, and hopes to reach 85,000 people. The Department for International

Development is flying tents for more than 10,000 displaced people from its stocks in Dubai to be distributed by the Red Crescent. Several consignments of medical supplies have been successfully delivered to Misrata and, yesterday, a Turkish hospital ship was able to evacuate 230 wounded people.

A further British diplomatic mission has travelled to Benghazi, led by Christopher Prentice. As I explained to the House last week, we are not engaged in arming the opposition forces. We are prepared to supply non-lethal equipment that will help with the protection of civilian lives and the delivery of humanitarian aid. Given the urgent need of the interim transitional national council for telecommunications equipment, the National Security Council has decided this morning to supply it with such equipment.

On Wednesday, Libya's Foreign Minister, Musa Kusa, joined other prominent Libyan figures who have resigned their positions. He flew to the UK from Tunisia of his own volition, having notified our authorities shortly before his departure of his intention to travel here. In accordance with the EU travel ban, he was refused formal leave to enter the UK but was granted temporary admission and met by officials. Musa Kusa is not being offered any immunity from British or international justice. He is not detained by us and has taken part in discussions with officials, since his arrival, of his own free will. Today, my officials are meeting representatives of the Crown Office and Dumfries and Galloway police to discuss their request to interview him in connection with the Lockerbie bombing. We will encourage Musa Kusa to co-operate fully with all requests for interviews with law enforcement and investigation authorities, in relation to Lockerbie as well as other issues stemming from Libya's past sponsorship of terrorism, and to seek legal representation where appropriate. As my right hon. Friend the Prime Minister has made clear, these investigations are entirely independent of Government; they should follow the evidence wherever it leads them, and the Government will assist them in any way possible.

Musa Kusa's departure weakens the regime and exposes its utter lack of legitimacy, even in the eyes of those most closely associated with it in the past. It confirms that there is no future for Libya with Gaddafi in power. It is right that, in these circumstances, when the Foreign Minister of a regime that is committing atrocities against its own people wishes to leave that country and to take no part in what is happening, we should assist in that process. We will treat those abandoning the Gaddafi regime in the following way. Any who travel to the UK to speak to us will be treated with respect and in accordance with our laws. Any immigration issues will be considered on their merits as with any other case. If our law enforcement authorities wish to speak to them about crimes committed by the regime, Her Majesty's Government will in no way prevent them from doing so.

In the case of anyone currently sanctioned by the EU and UN who breaks definitively with the regime, we will discuss with our partners the merits of removing the restrictions that apply to them while being clear that that does not constitute any form of immunity whatsoever. We will begin such discussions at the EU this week in the case of Musa Kusa. Sanctions are designed to change behaviour and it is therefore right that they are adjusted when new circumstances arise. We continue to offer our full support to the investigations of the International Criminal Court.

[Mr William Hague]

The Libyan regime is under pressure. What is required from it is clear: a genuine ceasefire as set out by President Obama and others including our Prime Minister last month, an end to all attacks against civilians, the withdrawal of armed forces from contested cities and full access for humanitarian assistance. When those requirements of the UN are fulfilled, air strikes to protect civilians can stop. The world is united in believing that the Gaddafi regime has lost all legitimacy and that he must go, allowing the Libyan people to determine their own future.

We continue to pursue tough sanctions at the EU. Additional sanctions on five Libyan companies and two individuals are being discussed at the EU today and if agreed will be in place on 12 April. We also continue to pursue additional sanctions with our international partners at the UN and we hope to achieve agreement soon. The first meeting of the contact group on Libya that was agreed at the London conference last week will take place next week in Doha, and I will attend. It will take forward the work agreed at the London conference, maintain international unity and bring together a wide range of nations in support of a better future for Libya.

Elsewhere in the region, we remain very concerned about the political situation in Bahrain. It is vital for the future stability of the country that the Government and leaders from all communities work together to reduce sectarian tension and to create the conditions in which a national dialogue can lead to real political reform. In Yemen, attempts at agreeing a political transition have repeatedly stalled or failed. There is an urgent need for steps to meet the legitimate demands of the Yemeni people and we call on President Saleh to engage with the opposition and with the protesters in a way that meets these aspirations and avoids violence.

We are deeply concerned by further deaths and violence in Syria. We call on the Syrian Government to respect the rights to free speech and peaceful protest. We call for restraint from the Syrian security forces and for the Syrian authorities to investigate the deaths of protestors and bring those responsible to account through a fair and transparent process. We note the announcement of certain reforms and believe that meaningful reforms that address the legitimate demands of the Syrian people are necessary and right.

The United Kingdom believes that the people of all these countries must be able to determine their own futures and that the international community must be bold and ambitious in supporting those countries that are on the path to greater political and economic freedom. That is why across the region we stand for reform not repression, and why in Libya, supported by the full authority of the United Nations, we are acting to save many lives threatened by one of the most repressive regimes of them all.

Mr Douglas Alexander (Paisley and Renfrewshire South) (Lab): I thank the Foreign Secretary for his statement and for allowing me advance sight of it this afternoon. May I also join him in expressing revulsion on behalf of the Opposition at the murders of the seven UN workers in Afghanistan this weekend? He is right—and speaks for the whole House in this—generously to commend their work and unequivocally to condemn their killers.

May I also associate myself with the Foreign Secretary's comments about the gravely worrying situation in Côte d'Ivoire? I welcome news that he has held discussions this morning with the chair of the African Union Commission, Jean Ping, and that contingency plans are in place for any evacuation deemed necessary. I join the Foreign Secretary in stating clearly and categorically that Laurent Gbagbo must step down immediately. If he does not stand down, there is clearly a risk of a repeat of the situation we had in Angola in 1992 when a disputed election led to a protracted civil war. Given that risk, will the Foreign Secretary share with the House his assessment, in the light of those conversations with the African Union, of Nigeria's willingness to contemplate supporting any west African-led intervention force in Côte d'Ivoire? Given the prior opposition to such a move by Ghana and Gambia, what assessment has he made of the possibility that the Economic Community of West African States might be able to agree to an intervention force in the event of the conflict continuing in the days, weeks and months ahead? What assessment has he made of the number of Governments in the African Union that still support Mr Gbagbo?

On Syria, on Friday thousands of Syrians took to the streets of Douma after prayers and were reported by the BBC to have been chanting, "We want freedom." Yesterday it was reported that again thousands of people had taken to the streets there, this time to bury at least eight people who died during Friday's protests. The legitimate demands of these protestors should be met, as the Foreign Secretary said, by reform and not by repression. What assessment has he made of the likely impact on the reform process of the appointment of the new Prime Minister, Adel Safar?

Let me associate myself and the Opposition with the position set out by the Foreign Secretary on both Yemen and Bahrain.

The situation in Libya has, of course, dominated debate within and beyond the House in recent weeks. The Foreign Secretary at the weekend was optimistic that we have not yet reached a stage of stalemate, but beyond protecting civilians from the air, UN resolution 1973 provided a range of diplomatic powers intended to deepen the isolation and increase the pressure on the Gaddafi regime. These included an expansion of asset freezes, enforcing the arms embargo and measures to prevent mercenaries from flying into Libya. Will the Foreign Secretary provide an update specifically on the implementation of these non-military diplomatic aspects of resolution 1973?

I welcome the fact that Christopher Prentice's team is in Benghazi assessing the situation and entering into dialogue with the interim national council. The Foreign Secretary has just told the House that "we are not engaged in arming the opposition forces. We are prepared to supply non-lethal equipment that will help with the protection of civilian lives and the delivery of humanitarian aid." He went on to say that he had decided this morning with his colleagues on the National Security Council to supply the transitional national council with telecommunications equipment. Will he therefore inform the House whether opposition military forces have been in receipt of any support from British military personnel in maintaining or upgrading the military equipment that they already possess?

Turning to the case of Musa Kusa, his defection should be taken as a welcome sign of the disillusionment and disunity within the Gaddafi regime. Following that defection, can the Foreign Secretary give us his latest assessment of the situation within the Gaddafi regime? In particular, how seriously should the House treat the discussions between Musa Kusa's successor and the Greek Foreign Minister in trying to find a way of resolving the conflict? Clearly, our first priority has to be the urgent operational need to ascertain information from Musa Kusa with respect to the present conflict in Libya. UN Security Council resolution 1973 must be enforced, and if he can help in any way to bring that about, all sides of the House must surely welcome it.

However, many in the House will want to know that Musa Kusa is not and should not be above British or international law. Last week I supported calls saying that the appropriate authorities including, of course, the police should in time be able to ask him all the necessary questions about Libya's violent history, not least here on British soil. The murder of a police officer in Northern Ireland on Saturday, on which Ministers are due to give a statement later today, will no doubt remind the House of the links between the Libyan regime in the past and decades of terrorism on British soil.

I welcome the news, therefore, that the Scottish Crown Office and Dumfries and Galloway constabulary are now in discussions with the Foreign and Commonwealth Office about how to pursue their investigations. Will the Foreign Secretary tell the House whether any other authorities in the United Kingdom or in other countries at the international level have been in contact with the Foreign Office over the arrival of Musa Kusa as part of their investigations into Libyan terrorism or crimes against humanity perpetrated in Libya?

In conclusion, both sides of the House supported the decision to enforce UN Security Council resolution 1973. The members of our armed forces, of course, have the continuing support of the House, and the Government have our continued support in using diplomatic means to maintain pressure on, and deepen the isolation of, the Gaddafi regime.

Mr Hague: I am grateful to the right hon. Gentleman for what continues to be strong bipartisan support for the operations that are taking place in Libya. He mentioned his revulsion at the events in Afghanistan—the murders of the UN workers. That will be felt across the House and the whole international community.

On Côte d'Ivoire, the right hon. Gentleman asked how many African Union nations there are now that do not believe Mr Gbagbo should stand down. I think the number is down to zero. The whole of the African Union is clear about that. The African Union did try to mediate a solution. It is Mr Gbagbo's persistence in trying to sit where he is, having clearly lost the election and despite the views of his own countrymen and the efforts of the African Union, that has precipitated the violence we now see.

It is not the belief of west African countries that they will need to provide an intervention force of the kind the right hon. Gentleman describes, but that will be discussed at the UN Security Council tomorrow, as I mentioned in my statement. We will strongly support greater action by the UN and French forces that are in

Côte d'Ivoire to help ensure civilian protection in Abidjan and elsewhere. We will also discuss the international response to the mounting civilian casualty list and reports of atrocities in the country. We will urge the swift investigation by the UN-mandated commission of inquiry into reports of horrific human rights abuses in Côte d'Ivoire, which are not necessarily all on one side. All abuses must be investigated. However, I do not think that Nigeria and other west African countries are contemplating an intervention force on top of the fighting that is happening there now.

In Syria, as the right hon. Gentleman says, a new Prime Minister has been appointed. As in all these cases, we will have to judge by actions, rather than words. The Syrian President has committed himself to certain reforms, but it is clear that many in Syria would like those to be much more far reaching. We in the United Kingdom recommend reforms that meet the legitimate aspirations of the Syrian people. I think that the new Prime Minister, and indeed the President, will be judged by that.

On Libya, the overall implementation of the sanctions set out in UN resolutions 1970 and 1973 is particularly good by the standards of these things because there is very strong international agreement on them. The vast majority of nations in the world are fully behind the sanctions. That has led to freezes on tens of billions of dollars of the regime's assets. The conflict has led to oil not being lifted from Libya, so the principal income of the regime has also been very seriously affected. The right hon. Gentleman asked about opposition forces and whether British forces had been involved in any way in upgrading, improving or maintaining the equipment. I am not aware of any such efforts, so the answer to that question is no.

I discussed with the Greek Foreign Minister this morning the efforts and discussions that took place late last night in Athens between the Deputy Foreign Minister of Libya and the Greek leaders. The Libyans again put forward, as they have in various discussions over the past three weeks, their intention to have a ceasefire, but of course the Gaddafi regime has three times announced a ceasefire and yet continued its attacks, particularly the attacks on the people of Misrata, who have been placed in a desperate situation. I believe that my colleague, the Greek Foreign Minister, conveyed the message that we would want him to convey, which is that a ceasefire will be judged by actions, not words, and that we wish to see the Gaddafi regime observing the requirements that the international community has placed on it. I think that these attempts to have discussions with other countries are a sign of the pressure that the regime is under, but the solution is in their hands to adopt a genuine ceasefire and then, in the interests of their country, make it clear that Colonel Gaddafi will go.

I hope that my statement answered satisfactorily all the questions that the right hon. Gentleman raised about Musa Kusa. Musa Kusa has come to a society that is based on law, and the way in which we treat people who come to this country will be based on law. They will not be given immunity from prosecution from British or international authorities. Equally, we cannot put them under a restraint that is not justified by evidence against them. If they are not under arrest, they are of course free to move around. Our response in every way will be based on law, just as our international

[Mr Hague]

response, our implementation of UN Security Council resolution 1973, is based on international law. We stick to the implementation of that resolution—nothing more and nothing less—in the military action we are undertaking, and that gives us our strong moral, legal and diplomatic position.

Several hon. Members rose—

Mr Speaker: Order. There is understandably much interest in this statement, but there are three more statements to follow and, therefore, heavy pressures on time, so brevity, as usual, is vital.

Richard Ottaway (Croydon South) (Con): I thank the Foreign Secretary for his statement. Does he agree that removing Colonel Gaddafi must be the focus of our attention? There are many around him still propping up his regime, however, so can he confirm that there is no viable future for those still loyal to Colonel Gaddafi as long as they continue to keep him in power?

Mr Hague: Yes, there is no viable future for the country as long as Colonel Gaddafi is in power, and my hon. Friend is absolutely right that Gaddafi should go. Virtually the whole world thinks that Gaddafi should go, although let me be clear that our military objectives and activities will be strictly in accordance with the United Nations resolution—let no one be in any doubt about that. But, of course, what is required for any viable future for Libya is for Gaddafi to leave, and of course we recommend to other figures in his regime that it would be right to follow the example of Musa Kusa and desert a regime that has done such violence and damage to the Libyan people.

Mr David Winnick (Walsall North) (Lab): However much we despise Gaddafi and everything that he represents, does the Foreign Secretary understand that there is no wish for Britain to become actively involved in a civil war, and that resolution 1973 should not be interpreted in any way as Britain being involved in any way whatever in what is, after all, a civil war, although we know which side we would like to see win?

Mr Hague: The hon. Gentleman is getting involved there and taking sides, but I hesitate to call it a civil war. It is an uprising by people who started with peaceful demonstrations against a despotic regime that then waged war, using heavy equipment, artillery and air power, against them, even at the stage when all they were trying to do was to demonstrate and to ask for the rights that we take for granted in so many other parts of the world. I hesitate to call that a civil war; it is a Government waging war on their own people. Nevertheless, I think I can give the hon. Gentleman the assurance that he looks for: we will implement the UN Security Council resolution, and that is what we are there to do. If it had not been for that resolution and the legal authority that it provides, we would not be engaged in what we are doing in Libya. We rest on that resolution, but we will continue to implement it.

Sir Menzies Campbell (North East Fife) (LD): In view of the emerging possibility of further prosecutions in relation to the Lockerbie bombing, does my right

hon. Friend agree that any such prosecutions should be conducted through the regular court system in Scotland, and that we should avoid the previous incongruity of having to establish a special court at Camp Zeist in Holland, as happened in the case of Mr Megrahi and his co-accused?

Mr Hague: I had better leave any legal deliberations to those better qualified in the Government. Certainly, whatever appropriate method is necessary should be followed in any future prosecutions. I understand that at the moment there is insufficient evidence to produce further prosecutions, but that may change, so I will let my right hon. and learned Friend raise the matter with the Law Officers, rather than try to give a definite ruling on it.

Mr Denis MacShane (Rotherham) (Lab): May I welcome the work of the Foreign Office and its agents in bringing Musa Kusa to the United Kingdom, even if he brings with him a lot of legal, diplomatic and ethical problems? If he was responsible for giving Semtex to the IRA in the 1970s and '80s, the people who used it to kill and main British citizens are now all out of prison and, in some cases, our partners in devolved Administrations. If people want to quit their regimes, whether in Zimbabwe, Burma or anywhere, and come to the UK, saying that they should go straight to clink and straight away face prosecution is not going to encourage them to defect.

Mr Hague: The right hon. Gentleman makes his point clearly. We are not putting anybody straight into clink. Musa Kusa is not detained; he is not under arrest. As I say, this is a society based on law, and if he is not under arrest, he is free to do as he wishes. Equally, as a society based on law, we do not give immunity from prosecution by the British authorities or international authorities.

Mr MacShane indicated assent.

Mr Hague: The right hon. Gentleman nods his head, so I think we have his approval.

Mr Julian Brazier (Canterbury) (Con): Does my right hon. Friend accept that while of course we must observe the rule of law in this country, it may nevertheless, from time to time, reach a point where it is in the wider interest, if it is going to mean saving a lot of lives, to do deals with people whom we may find deeply unattractive, and that there are a number of precedents for exactly that?

Mr Hague: There are precedents for doing deals with people one has previously found unattractive—there is no doubt about that—in all walks of life and all stages of public life. Nevertheless, while I take my hon. Friend's point, that has not arisen in this case. In the case of Musa Kusa, there is no deal. Any press reports of a deal—of sanctuary or asylum in return for information—are wrong. That is not how we are conducting this. It is being conducted in a much more straightforward way, and that has not arisen so far.

Mr Dennis Skinner (Bolsover) (Lab): In the second world war, Rudolf Hess landed in this country and was locked up. Why is it that this Musa Kusa wanders into

Britain, is treated in the way that he is, and it is not yet even thought to hand him over to the Scottish authorities? Never mind what my right hon. Friend the Member for Paisley and Renfrewshire South (Mr Alexander) said: just think of the revulsion out there in the country about this man being treated like he is.

Mr Hague: As I say, our response to this and other situations will be entirely based on the law of our land. If the hon. Gentleman can find any way in which we are treating Musa Kusa, or anybody else who has come from Libya, without respect to the laws of our country and without full co-operation with policing authorities or judicial prosecuting authorities, then he must tell me about it. In no way are we treating him in any way differently from accordance with our laws.

Mary Macleod (Brentford and Isleworth) (Con): Will my right hon. Friend confirm that matters in the Ivory Coast will be dealt with with some urgency because of the current heavy loss of life that has already taken place?

Mr Hague: Yes, absolutely. We have treated this with urgency all along. It was back in December that we called for Gbagbo to go. We have delivered a great deal of humanitarian assistance, which my right hon. Friend the Secretary of State for International Development has put in place, not only for Côte d'Ivoire but for Liberia, since this has created a very difficult humanitarian situation in Liberia as well. All the time we have tried to respond to events and put in place the help that is necessary, and we will add to that urgency at the UN Security Council tomorrow.

Keith Vaz (Leicester East) (Lab): The Foreign Secretary will know that over the past two days 1,600 people have been injured in Taiz and Al Hudaydah in Yemen. Although of course we appreciate the efforts that he has made on the diplomatic front to bring sides together, is not now the time for an envoy to be sent from the United Nations or the European Union to bring the President and people around a table so that a smooth transition can be exercised?

Mr Hague: A great many diplomatic efforts have been made. The right hon. Gentleman mentions my own efforts. I met the President and the opposition parties two months ago to encourage them in the right direction—evidently without success in this case—and other Foreign Ministers from around the world have tried to do the same. In recent days, the Gulf Co-operation Council countries, in particular, have been involved in trying to mediate over Yemen, and Saudi Arabia has often tried to do so. Many efforts have been made. The list of envoys who have tried to assist in bringing people together in Yemen is growing quite long. That in no way excludes further efforts, so of course we will continue to do everything we can to try to ensure that reason prevails and that the way to an orderly transition is found in Yemen that does not involve an even greater scale of injury and loss of life, to which the right hon. Gentleman refers. We will continue these efforts and in no way dismiss the idea of a further international envoy.

Mr Edward Leigh (Gainsborough) (Con): When Musa Kusa was ambassador here, we had to expel him for openly calling for the murder of dissidents. We are

now supping, if not with the devil, with a pretty good substitute. Is not our enthusiasm for regime change sucking us away from the high moral ground of humanitarian gestures and into the ever more murky world of Libyan politics?

Mr Hague: No, I think that the high moral ground is retained by basing all our actions on what is legally correct, as we have done in our handling of the whole Libya crisis from the United Nations resolution downwards, and in the handling of these individual cases. When somebody with such a long association with the regime wants to leave it, and by doing so damage the regime, I think that it is right to assist them in doing so. Additionally, it can only be a good thing to discuss with such a man the situation in Libya and the middle east, and gain his insight into it. It can also only be a good thing that any prosecuting authorities that wish to speak to him and get more information from him can do so. I see no downside in doing what we have done with him over the past few days.

Barry Gardiner (Brent North) (Lab): Will the Foreign Secretary confirm that among the restrictions that he proposes to remove is the freezing of Musa Kusa's assets? That will mean that a man who has engaged in the most despicable acts, both abroad and in the exploitation of his own people, and who has built up his assets on that basis, will be able to enjoy the fruits of those acts.

Mr Hague: The hon. Gentleman makes a number of assumptions in his question. I will not necessarily take issue with those assumptions. However, where we have placed asset freezes and travel bans on individuals purely because they are members of a regime, as is the case with the European Union asset freezes and travel bans—we are not talking here about United Nations Security Council travel bans—when an individual ceases to be a member of that regime, it follows that a change in those restrictions should be discussed; otherwise there would be no incentive whatever for members of the regime to abandon its murderous work. When the situation changes and the reasons the restrictions have been placed on an individual change, of course the restrictions should change as well.

Mr John Baron (Basildon and Billericay) (Con): When we first intervened in Libya, the length of our commitment was talked of in briefings in terms of weeks; now it is months. Does the Foreign Secretary agree that if there is a stalemate on the ground without a ceasefire, we could be talking years?

Mr Hague: I am not sure that I have ever referred to days, weeks, months or years, and I am not going to start doing so now. I think that to do so is futile. We will implement the United Nations resolution. We should not be put off implementing that resolution if it takes time, just as we might have been very pleased if it had not taken many days at all. I do not think that we should say of something of the gravity of the protection of the civilian population of Libya, with all the consequences that flow for north Africa and the wider middle east, that we will do it for only a week or for 10 days. It is important to carry through the authority of the United Nations, and we are not putting a time limit on that.

Mr Andy Slaughter (Hammersmith) (Lab): On Friday, the Israeli newspaper *Ha'aretz* reported that the Foreign Secretary, with French and German support, intends to propose the recognition of a Palestinian state on 1967 borders, with Jerusalem as its capital, at the next Quartet meeting in two weeks. Is that true? If so, I commend that positive step, but ask him not to get sucked into the issue of land swaps and to maintain the right of return for refugees.

Mr Hague: I hate to disappoint the hon. Gentleman on something that he was going to commend me for, but no, we are not proposing the recognition of a Palestinian state. We have recently upgraded the Palestinian delegation in the UK to a mission. What the UK, France and Germany are putting to the Quartet is that the basis of negotiations set out by the Quartet, including the United States, should include 1967 borders, with land swaps, a just settlement for refugees and Jerusalem as the shared capital of both states. We are advocating that as an established basis for negotiations, but we are not advocating proceeding unilaterally with the recognition of a Palestinian state.

Mark Lancaster (Milton Keynes North) (Con): Will the Foreign Secretary update the House on the planning for the post-conflict reconstruction and stabilisation of Libya, and on whether he believes the scope of the existing UN resolution, for example in relation to our inability to deploy the military stabilisation and support group, means that it can be practically implemented to achieve what we want to achieve there?

Mr Hague: This is a vital subject that we discussed in part of the London conference last week. It will be an important part of the discussion at the first meeting of the contact group, which, as I explained in my statement, will take place in Doha next week. The United Nations Secretary-General made it very clear at the London conference that the UN was prepared to take the lead in co-ordinating the stabilisation and humanitarian work, which was an extremely welcome commitment. The next stage, on top of the urgent work supported by our Department for International Development that I mentioned earlier, is to conduct more detailed consideration of Libya's future stabilisation needs at the Doha meeting.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): I thank the Foreign Secretary for an advance copy of his statement.

Of the 34 countries currently involved, how many are Arab states, and how many of that number are involved in front-line activities?

Mr Hague: The number of Arab states involved in military participation is two, Qatar and the United Arab Emirates. They have both supplied fighter aircraft to support the no-fly zone. Of course, other states are involved in humanitarian assistance, and the 34 also include states that have given over-flight rights to assist in the implementation of the UN resolution. That would be a minority of the 34, but I do not have the numbers to hand for each different category of Arab support.

We should be clear that the Arab League continues to support the implementation of the resolution robustly. It attended our meeting at the London conference, and we will expect to see it in Doha as well. There were five

or six Arab nations represented at the London conference, and I hope that more than that will join the contact group. The support of Arab nations for what we are doing has been maintained from the beginning, and it continues.

Martin Horwood (Cheltenham) (LD): Will the Foreign Secretary confirm that we owe it to the United Nations to continue to press the Afghan Government to bring the Mazar-e-Sharif killers to justice? However, will he also condemn the burning of the Koran by American extremists, which does not excuse, but clearly inflamed, the violence?

Mr Hague: I very much agree with my hon. Friend. I absolutely condemn the burning of the Koran in that or any other instance. It is fundamentally wrong and disrespectful. As he said, that does not excuse what then happened in Afghanistan, but we should be very clear that we condemn both.

Paul Flynn (Newport West) (Lab): Does not the failure of the armed Afghan police to stop the lynchings of the United Nations workers, along with the previous retreat by 300 members of the Afghan army when they were attacked by seven members of the Taliban, cause the right hon. Gentleman to reassess his very optimistic belief that the security of Afghanistan can be left in the hands of the police and the army when our troops retire?

Mr Hague: I do not think we have ever suggested that the Afghan national security forces are able to look after every security situation in Afghanistan on their own—clearly they are not. If they were already able to do that, we would not need to be in Afghanistan. We want to get them in a position in which they can do that from 2014 onwards.

Since the hon. Gentleman points to some of the deficiencies of the Afghan national security forces, it is important also to point out that many of them are doing excellent work, partnered with our troops in Helmand, and that a huge proportion of the military operations around Kandahar over the past year have been undertaken by the Afghan forces themselves. We must not give an unrepresentative account of the capabilities of those forces.

Laura Sandys (South Thanet) (Con): I know that the Foreign Secretary is well aware of the tribal differences in Libya and the historical divide between east and west. To what extent is Gaddafi exploiting our geographical capture in the east to create and perpetuate that sense of divide? What can we do in the west of Libya to ensure that people there see and understand that our humanitarian activity is for all Libyans, not just certain tribes?

Mr Hague: My hon. Friend raises an important point. The strength and determination of the attacks that the regime has mounted on, for example, Misrata, illustrate their determination to try to secure by military force areas in the west of Libya so that if they cannot reconquer the whole country, they can declare an east-west divide, playing on history and trying to return to those days. As well as the humanitarian reasons, that is why it is important for us to support the people of Misrata and try to defend them from attack. The vast majority

of Libyans with whom I have discussed these affairs, in the opposition and in the regime, strongly support Libya's territorial integrity and want a united future for their country. They do not agree with any Gaddafi intention to partition it, or to hang on in part of the country.

Mark Durkan (Foyle) (SDLP): The Foreign Secretary referred to his discussions this morning with Jean Ping about the terrible situation in Côte d'Ivoire. Was he also able to discuss Libya with him? Has he got any clearer understanding of African Union perspectives on that? Was he able to give or take any encouragement about possible African Union influences that might be used, in keeping with what was envisaged in UN resolution 1973?

Mr Hague: As the hon. Gentleman can imagine, we discussed Côte d'Ivoire, but also Libya at great length. Mr Ping was clear that the African Union also felt that Gaddafi should go—the vast majority of African Union leaders have no disagreement with us about that. Some African nations might disagree, but the vast majority of the African Union believe that it is inevitable and right. I have encouraged Mr Ping to engage more closely with our work in the contact group. Indeed, I have invited the African Union to the contact group meeting in Doha at the end of next week. It will have to decide at its meeting in Mauritania this weekend whether to attend the Doha meeting, but I see no obstacle to the African Union's joining in a meeting, where the United Nations is present. I think that we have established this morning a closer working relationship on those matters.

Dr Andrew Murrison (South West Wiltshire) (Con): In 2003, in planning for the reconstruction of Iraq, the UK Government gave too much weight to the opinions and insights of Iraqi ex-pats, émigrés and defectors. Will my right hon. Friend ensure that we do not make the same mistake, as the rats leave what we hope is Gaddafi's sinking ship?

Mr Hague: Yes, I think my hon. Friend makes an absolutely fair point. All those people have important insights and opinions, but we must remember that there are many people left, for example, those who want to leave the regime but cannot or dare not. Some people are lying low and others have been in office in the past and not been seen around in recent years. All their opinions will be important, too. We fully take the lesson to which my hon. Friend refers.

Chris Bryant (Rhondda) (Lab): The Foreign Secretary said that Britain would now give the rebels telecommunications equipment. That could cover a wide variety of things, from some mobile phones, through the Bowman system to a missile guidance system. What exactly does he mean by telecommunications equipment?

Mr Hague: I do not mean missile guidance systems; I mean telecommunications equipment. I do not want to go into details about the exact specification for various reasons, including that, if I did so, it would be easier for the regime to interfere with the telephones. However, it is telecommunications equipment, which enables people to say where there is desperate humanitarian need and

when a town is under attack, and to speak to us in the outside world. I spent a good deal of yesterday afternoon trying to speak to one of the Libyan opposition leaders in Benghazi, but we were never able to establish a telephone connection. It will improve our understanding of what is going on there. It is purely about communications.

Mr Peter Bone (Wellingborough) (Con): The Foreign Secretary should be congratulated on his statement, and the coalition Government should be congratulated on their regular updates to the House. Is the former Foreign Minister of Libya free to leave this country if he wants to?

Mr Hague: He is not detained or under arrest, so as things stand, he is free to go where he wishes. I am not aware of him trying to leave the country, but he is not in detention. We will treat him in accordance with the law—I strongly reinforce that point. Only if the law prevents him from doing something that he wishes to do would we intervene to stop him departing.

Jim Shannon (Strangford) (DUP): I thank the Foreign Secretary for his statement to the House. On the arrival from Misrata of the hospital ship with some 1,000-plus injured people on board who were hurt as a result of the terrorist campaign, will he tell us what steps he will take to ensure that the Gaddafi regime and his soldiers are prevented from carrying out their clinically murderous campaign against innocent civilians? What steps will he take to ensure that Misrata is not overrun, and that the voice of freedom is maintained?

Mr Hague: We have other plans to get further assistance into Misrata, although of course, I cannot be specific about them in advance—we do not want to give notice of our plans to the Gaddafi regime. I can tell the hon. Gentleman that a good deal of our military effort has been designed to protect the people of Misrata. Many of the strikes against battle tanks and mobile artillery units of the Libyan armed forces have been made in the vicinity of Misrata. That is difficult because some of those forces are in built-up areas, and our concern to avoid civilian casualties overrides our desire to attack individual units in such areas. However, a great deal of the NATO effort is now going into trying to relieve the pressure on the most unfortunate citizens of Misrata.

Mr Mike Hancock (Portsmouth South) (LD): While I can accept that Musa Kusa's circumstances have changed, the one thing that has not changed is his antecedence—he gave weapons to the IRA and was alleged to be involved in the Lockerbie plot. If we do not have enough evidence to detain him and bring charges against him, what on earth have our intelligence services been doing for the last 20 years?

Mr Hague: As I have said, any action must be based on evidence. The hon. Gentleman is quite right that things have been alleged, but the evidence must be presented. The authorities can proceed only on the basis of such evidence.

Robert Halfon (Harlow) (Con): Under the cover of what else is going on in the middle east, the Iranian regime recently increased the sentences of seven Ba'hai

[Robert Halfon]

leaders to 20 years. Will my right hon. Friend make strong representations to the Iranian Government to stop the persecution of the Iranian Ba'his?

Mr Hague: Yes, most certainly—my hon. Friend is quite right to draw attention to that. The Iranian Government now have one of the worst human rights records in the world. They have four times as many journalists in detention as any other country; they have carried out per capita more executions than any other country so far this year; they have imprisoned the two principal opposition leaders; and they have added to all that the outrage to which my hon. Friend refers, and we unreservedly condemn it.

Christopher Pincher (Tamworth) (Con): The Foreign Secretary and the shadow Foreign Secretary both acknowledged that the Gaddafi regime is at least partly propped up by murderous mercenaries who are terrorising the civilian population. Will my right hon. Friend therefore indicate what steps the Foreign Office, NATO and our allies are taking to stop the entry into Libya of mercenaries from Chad and Niger?

Mr Hague: Yes, that is one of the things attended to in the UN Security Council resolutions, which call for action against mercenaries entering the country. My hon. Friend is quite right that there is a good deal of evidence that Colonel Gaddafi has bought some of the military support that he has employed over the last few weeks. Although I cannot go into any operational details, we will take action whenever we can, and whenever we have the necessary information, against the supply of mercenaries to Libya. We have been in touch with neighbouring countries about that. People entering Libya in order to do violence to the civilian population of Libya do so at their peril.

Duncan Hames (Chippenham) (LD): I heard what the Foreign Secretary said to the hon. Member for Brent North (Barry Gardiner) on asset freezing, but in a statement last week he painted quite a rosy picture to the House about the benefit to the Libyan people of a future Libyan Government spending those assets. Can he reassure us that any loosening of sanctions in response to those deserting the Gaddafi regime will not allow those people to take with them riches gained as a result of their long association with Gaddafi which belong to the Libyan people?

Mr Hague: Basically, yes, any changes in sanctions on people who have defected from the regime are likely, in terms of the quantity of money involved, to be infinitesimal compared with the assets of the regime and its companies. We are talking about tens of billions of dollars. The United States has frozen more than \$30 billion-worth of assets, so we are talking about something very tiny when compared with the total scale of assets.

Dan Byles (North Warwickshire) (Con): The House has rightly praised our armed forces for the visible work they are doing, but will the Secretary of State commend the staff of the Foreign and Commonwealth Office, particularly the rapid deployment teams, for their sterling work throughout the region in recent times, which is perhaps less visible?

Mr Hague: I am grateful to my hon. Friend for that question. Rapid deployment teams in a variety of very difficult situations, including chaotic airports and the aftermath of earthquakes in recent weeks, have done an absolutely outstanding job for this country. The diplomatic mission in Benghazi, to whom I have referred, have, in sometimes difficult and dangerous circumstances, gone into eastern Libya, so he is quite right to praise our diplomats and I will take that praise back to the Foreign and Commonwealth Office.

NHS Reform

4.41 pm

The Secretary of State for Health (Mr Andrew Lansley): With permission, Mr Speaker, I should like to make a statement about NHS modernisation. Modernisation of the national health service is necessary, is in patients' interests and is the right thing to do to secure the NHS for future generations. The Health and Social Care Bill is one part of a broader vision of health and health services in this country being among the best in the world; world-leading measurement of the results we achieve for patients; patients always experiencing "No decision about me without me"; a service where national standards and funding secure a high-quality, comprehensive service available to all, based on need and not the ability to pay; and where the power to deliver is in the hands of local doctors, nurses, health professionals and local communities.

The House will know that the Bill completed its Committee stage last Thursday. I was also able to announce last week that a further 43 GP-led commissioning consortia had successfully applied to be pathfinder commissioning groups. We now have a total of 220 groups representing 87% of the country; that is 45 million patients whose GP surgeries are committed to showing how they can further improve services for their patients. In addition, 90% of relevant local authorities have come forward to be early implementers of health and well-being boards, bringing democratic leadership to health, public health and social care at local level.

That progress is very encouraging. Our desire is to move forward with the support of doctors, nurses and others who work in the NHS and make a difference to the lives of so many of us, day in and day out. However, we recognise that the speed of progress has brought with it some substantive concerns, expressed in various quarters. Some of those concerns are misplaced or based on misrepresentations, but we recognise that some of them are genuine. We want to continue to listen to, engage with and learn from experts, patients and front-line staff within the NHS and beyond and to respond accordingly. I can therefore tell the House that we propose to take the opportunity of a natural break in the passage of the Bill to pause, listen and engage with all those who want the NHS to succeed, and subsequently to bring forward amendments to improve the plans further in the normal way. We have, of course, listened and improved the plans already. We strengthened the overview and scrutiny process of local authorities in response to consultation, and we made amendments in Committee to make it absolutely clear that competition will be on the basis of quality, not price. Patients will choose and GPs will refer on the basis of comparisons of quality, not price.

Let me indicate some areas where I anticipate that we will be able to make improvements, in order to build and sustain support for the modernisation that we recognise is crucial. Choice, competition and the involvement of the private sector should only ever be a means to improve services for patients, not ends in themselves. Some services, such as accident and emergency or major trauma services, will clearly never be based on competition. People want to know that private companies cannot cherry-pick NHS activity, undermining existing NHS providers, and that competition must be fair.

Under Labour, the private sector got a preferential deal, with £250 million paid for operations that never happened. We have to stop that. People want to know that GP commissioning groups cannot have a conflict of interest, are transparent in their decisions, and are accountable not only nationally, but locally, through the democratic input of health and well-being boards. We, too, want that to be the case. People want to know that the patient's voice is genuinely influential, through HealthWatch and in commissioning. Doctors and nurses in the service have been clear: they want the changes to support truly integrated services, breaking down the institutional barriers that have held back modernisation in the past.

As I told the House on 16 March, we are committed to listening, and we will take every opportunity to improve the Bill. The principles of the Bill are that patients should always share in decisions about their care; that front-line staff should lead the design of local services; that patients should have access to whichever services offer the best quality; that all NHS trusts should gain the freedoms of foundation trust status; that we should take out day-to-day political interference, through the establishment of a national NHS commissioning board and through strong independent regulation for safety, quality and effectiveness; that the public's and patients' voices must be strengthened; and that local government should be in the lead in public health strategy. Those are the principles of a world-class NHS which command widespread professional and public backing. All those principles will be pursued through the Bill, and our commitment as a coalition Government to them is undiminished.

We support and are encouraged by all those across England who are leading the changes nationally and locally. We want them to know that they can be confident in taking this work forward. Our objective is to listen to them and support them, as we take the Bill through. No change is not an option. With an ageing and increasing population, new technologies and rising costs, we have to adapt and improve. Innovation and clinical leadership will be key. We want to reverse a decade of declining productivity. We have to make productive care and preventive services the norm, and we must continue to cut the costs of administration, quangos and bureaucracy. The House knows my commitment to the national health service and my passion for it to succeed. To protect the NHS for the future must mean change—not in the values of the NHS, but through bringing forward and empowering leadership in the NHS to secure the quality of services on which we all depend.

Change is never easy, but the NHS is well placed to respond. I can tell the House today that the NHS is in a healthy financial position. Waiting times remain at historically low levels, as promised under the NHS constitution. Patients with symptoms of cancer now see a specialist more quickly than ever before. MRSA is at—[*Interruption.*]

Mr Speaker: Order. The Secretary of State must be heard.

Mr Lansley: MRSA is at its lowest level since records began. We have helped more than 2,000 patients have access to new cancer drugs that would previously have been denied to them. All that is a testament to the excellent work of NHS staff up and down the country.

[Mr Lansley]

and we thank them for their efforts to achieve these results for their patients. The coalition Government are increasing NHS funding by £11.5 billion over this Parliament, but the service cannot afford to waste any money. We can sustain and build on those improvements only by modernising the service to be ever more efficient and effective with taxpayers' money.

The Bill is a once-in-a-generation opportunity to set the NHS on a sustainable course, building on the commitment and skills of the people who work for it. Our purpose is simple: to provide the best health care service anywhere in the world. I commend this statement to the House.

John Healey (Wentworth and Dearne) (Lab): I thank the Secretary of State for Health for a copy of his statement shortly before he made it this afternoon. So Mr Speaker, in the middle of confusion, chaos and incompetence, the Prime Minister has pushed the Health Secretary out of the bunker to try and tell people what exactly and what on earth they are doing with the NHS. Why is the Health Secretary here and not the Prime Minister? After all, we have been told that the Prime Minister has taken charge and it was he who made his most personal pledge to protect the NHS and to stop top-down reorganisations that have got in the way of patient care. It is the Prime Minister who is now breaking his promises on the NHS.

Will the Health Secretary tell us why the Tories did not tell people before the election about the biggest reorganisation in NHS history? Why did they not tell the Lib Dems about the reorganisation before the coalition agreement was signed? Whatever the Government say or do now, there is no mandate—either from the election or the coalition agreement—for this reckless and ideological upheaval in the health service. In truth, the Health Secretary is here only because there is a growing crisis of confidence over the far-reaching changes that the Government are making to the NHS.

There is confusion at the heart of Government, with briefings and counter-briefings on all sides, and patients starting to see the NHS go backwards again under the Tories—with waiting times rising, front-line nursing staff cut and services cut back. Yet the Health Secretary has done nothing to restore public confidence in the Government's handling of the NHS and nothing to convince people to back the Tories' reorganisation plans. Everything he said today the Government were told about in the consultation—and they ignored it. Everything he said today the Government were told in Committee—and they rejected it.

This is not just a problem with the pace of change; simply doing the wrong thing more slowly is not the answer. It is not just a problem with presentation. In fact, the more people see the plans, the more concerned they become about them. That is why there is growing criticism of the Tories' plans for the NHS—from doctors, nurses, patients' groups, NHS experts, the Health Select Committee, the Lib Dems and peers of all parties in the House of Lords. I have to hand it to the Health Secretary: it takes a special talent to unite opposition from Norman Tebbit and MC NxtGen. That is why Labour has been saying that the reorganisation requires a root-and-branch rethink and that the legislation requires radical surgery.

There are fundamental flaws in what the Government are doing, not just in what they are saying. The test is whether the Prime Minister will now deal with these fundamental flaws. Will he radically safeguard commissioning to draw on the full range of NHS expertise, to prevent conflicts of interests, bonus payments to GPs and to guarantee that important decisions are taken in public not in private? Will he radically strengthen local accountability to the public and to patients? Will he delete the one third of the Bill that breaks up the NHS and makes it into a full-blown market ruled by the forces of market regulation and EU competition law? Will this be just a public relations exercise or will real changes be made in the NHS plans—or has the Prime Minister not yet told the Health Secretary? This is no way to run a Bill; this is no way to run a Government; this is no way to run the NHS.

Mr Lansley: We heard from the Leader of the Opposition earlier that the NHS needed to change, but once again we have heard nothing from Labour Members about how it needs to change. It is not unusual to hear nothing from them. They say that we need to tackle the deficit, but they will not say how. They say that we must change the NHS, but they will not say how.

Interestingly, in January the right hon. Member for Wentworth and Dearne (John Healey) said that he agreed with the aims of the Bill. He said that he supported a "greater role for clinicians in commissioning care, more involvement of patients, less bureaucracy and greater priority on improving health outcomes".

At the last election, his manifesto said that he wanted all NHS trusts to become foundation trusts. It said that he wanted patients to have access to every provider, be it private sector, voluntary sector or NHS-owned. Now we do not know what the Labour party's policy is at all, but what I do know is that the Government will give leadership to the NHS, and that we will give the NHS a strategy enabling it to deliver improving results in future.

The right hon. Gentleman clearly wrote his response to the statement before reading it. In fact, we have made it clear that we will listen to what is said about precisely the issues on which people in the NHS and people who depend on the NHS are united. They know which issues are really important. They know that we must be clear about accountability, and that there must be transparency. Clinicians throughout the health service want to work together, and want the structure of the service to help them to work together so that they can deliver more holistic and joined-up services to patients. We want that, and they want that. We will back up our strategy with detail, but from the right hon. Gentleman we heard no strategy, no detail, and no answers whatsoever.

We are clear about the principles that we are pursuing through the reform and modernisation of the national health service. We are listening, and we are engaging with those principles. We are listening to the people in the health service who have come together to implement those principles, so that we can help them to do so effectively. Labour Members have not even listened to those who threw them out at the last election, because they are still wedded to the past and to a failed, top-down, centralised, bureaucratic approach.

Mr Stephen Dorrell (Charnwood) (Con): All who genuinely wish the NHS well and consider it to be an important part of our national heritage will welcome

my right hon. Friend's commitment to ensuring that clinical practice delivered by the NHS is kept up to date with the best available medical practice, and responds effectively to the wishes of patients. Will he continue to develop effective commissioning as the best way of delivering that, building on 20 years of commitment to the principle of commissioning under Governments of all political complexions since 1990?

Mr Lansley: I am grateful to my right hon. Friend. He knows and I know—and past Secretaries of State, with the exception of the right hon. Member for Holborn and St Pancras (Frank Dobson) also knew—that in order to deliver the best possible care in the NHS, we needed to engage clinical leadership more effectively. That is what these reforms are about. The modernisation of the NHS is about better and stronger clinical leadership delivering better commissioning of care and thereby helping to deliver better provision of care, and about allying that with democratic accountability at a local level. Neither of those things has happened sufficiently in the past, but both are at the heart of our Bill.

Mr Ben Bradshaw (Exeter) (Lab): Contrary to what the Secretary of State has claimed, waiting times are already lengthening and the quality of service to patients is already deteriorating as a result of his ill-conceived upheaval of the health service. Why does he not abandon it, rather than just pausing for the Easter holidays, before he squanders all the improvements that were achieved under Labour Governments?

Mr Lansley: I am sorry that the right hon. Gentleman should denigrate what staff in the NHS have achieved over the past year. He will not have read the deputy chief executive's report on NHS activity, which shows improvements in breast screening rates, improvements in bowel screening rates—[*Interruption.*]

Mr Speaker: Order. I apologise for interrupting the Secretary of State. I recognise that this subject inflames passions and that there are very strongly held views about it, but there is too much noise on both sides of the Chamber. I gently say to the hon. Members for Middlesbrough South and East Cleveland (Tom Blenkinsop) and for Kingston upon Hull East (Karl Turner) that they should cease to yell at the Secretary of State from a sedentary position. It is very unseemly.

Mr Lansley: Thank you, Mr Speaker. I shall not go through a long list, but many services in the NHS have improved and continue to improve. Our objective is very clear: it is to support that improvement, including improvement in waiting times. For example, last year the median wait in January for non-admitted patients was 4.8 weeks, whereas last year it was 4.9 weeks. For diagnostic tests, the average wait this year is 1.6 weeks, exactly the same as last year. Meanwhile, many other factors are continuing to improve as well.

Sir Paul Beresford (Mole Valley) (Con): As the Secretary of State may know, I still have a faint link with the NHS and medicine in general. The GPs I have met in my constituency and elsewhere are very much in favour of the proposals. In contrast, the complaints are circular

letters that have been well organised. Does the Secretary of State agree that GPs will be devastated if there is any reversal and backtracking?

Mr Lansley: I am grateful to my hon. Friend for his remarks. He and other Surrey Members will be aware of that primary care trust's past failure to manage effectively within its budget. The GPs in Surrey are, like many others across the country, coming together and demonstrating that they can achieve much greater service improvement within NHS resources—and those resources will increase in future years.

Mr Kevin Barron (Rother Valley) (Lab): Does the Secretary of State recognise that the reorganisation and introduction of competition under this Bill have created chaos inside the national health service? What message does he have for the 40% of people who work for Rotherham PCT who have now taken redundancy, and who are getting out because they know they are aboard a sinking ship?

Mr Lansley: As we have demonstrated, NHS performance is continuing to improve, and it will improve further with clinical leadership, but we can achieve that effectively only if we achieve a £1.9 billion a year reduction in administration costs in the NHS. We have started that process: since the election, we have reduced the number of managers in the NHS by 3,000 and increased the number of doctors by 2,500.

Sarah Newton (Truro and Falmouth) (Con): I very much welcome the Secretary of State's continued support for the NHS in Cornwall, with the cash increases this year, the long overdue integration of adult social care with the NHS, and the real opportunity of giving power to local people through the health and well-being boards. Will he ensure that the central changes he wants to introduce to achieve the aim of "no decision about me without me" are kept absolutely at the heart of what he does?

Mr Lansley: I will indeed do that, and I am very grateful to my hon. Friend for her comments. She represents a Cornwall seat, and she and I know that over the years many people in Cornwall have felt they wanted a greater sense of ownership of the decisions made in the health service, not only for individuals but for the health service in Cornwall itself. That is precisely what we are going to make available through both local commissioning and local authorities.

Glenda Jackson (Hampstead and Kilburn) (Lab): The Secretary of State listed in his statement concerns to which he intends to listen, but every single one of them has been raised with him before, going back to the time of the publication of his White Paper. As he did not listen to those concerns then, why should any of us believe his positive commitment to listen to them now?

Mr Lansley: I am afraid the hon. Lady is completely wrong about that. We have continuously listened. After the publication of the White Paper, we had a full 12-week consultation with more than 6,000 responses, and in December's Command Paper we set out a whole series of changes that were consequent on that, including to the structure of commissioning and the timetable for

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the transfer of NHS trusts into foundation trusts. In Committee, we have introduced further amendments, not least to make it clear that competition in the NHS will be on the basis of quality not price, which is very important because that is a concern that people raised.

Sajid Javid (Bromsgrove) (Con): I warmly welcome my right hon. Friend's efforts in modernising the NHS. The concept of GP commissioning has been widely supported by politicians from all parties for many years. May I urge my right hon. Friend to keep putting patients first by increasing GP involvement in the NHS?

Mr Lansley: I am grateful to my hon. Friend for his remarks. We have now—earlier than any of us had imagined—arrived at the point where most of the country has pathfinder consortia in place. It is absolutely the right moment to engage with them to discuss how we can ensure that the concerns that have been properly raised, about transparency and accountability in governance and the avoidance of conflicts of interest, will be dealt with in the legislation. We want the legislation to work for them and the people we serve.

Meg Munn (Sheffield, Heeley) (Lab/Co-op): The Secretary of State has spoken a great deal about ill people, but the health service is also, very importantly, about promoting health. With local authorities taking the lead in the public health strategy, what is his mechanism to ensure that GPs are fully involved and contribute fully to the wide range of initiatives on which primary care trusts took a lead, such as those on child protection, teenage pregnancy, diet and exercise, child safety and obesity?

Mr Lansley: If the hon. Lady reads the Bill, she will see that one of its changes that has been most widely supported, including by local authorities across England, has been the transfer of public health leadership into the health and well-being boards, with ring-fenced budgets for local authorities. The previous Government could have done that, but they did not. Such an approach will allow continued engagement with general practitioners and their practices, both because they are participants in the health and well-being boards and because Public Health England and the local health and well-being board will be able to influence directly the quality and outcomes framework, which incentivises GPs in the work that they do.

Mr John Redwood (Wokingham) (Con): Colleagues on this side of the House will know that the Secretary of State has a great passion for the health service, and great mastery of his brief. Will he confirm, for the sake of all hon. Members, that the object of getting rid of PCTs and top-down targets is to free a lot of money for patient care? That should be in the interests of all hon. Members and their constituents.

Mr Lansley: I am grateful to my right hon. Friend. Before the election, the previous Labour Government said that it was necessary to save up to £20 billion in efficiencies in the NHS, but they never said they would reinvest that money in the NHS. We have said that we will reinvest it. In order to deliver those efficiencies,

10% of that gain will be achieved by cutting the costs of bureaucracy and administration. We have set out how we will do that, but the previous Government never did.

Mr George Howarth (Knowsley) (Lab): Does the Secretary of State understand that those who care about the future of the NHS believe not only that he got his presentation wrong, but that his Bill is fundamentally wrong in principle?

Mr Lansley: No, I do not accept that for a minute. The right hon. Member for Wentworth and Dearne, who sits on the Opposition Front Bench, has freely acknowledged that I have met and talked to many people in the NHS over the course of seven and a half years, and that I am passionately committed to the NHS. If one set of beliefs lies at the heart of the reforms and the Bill, it is the belief in the NHS as a free, comprehensive, high-quality service that delivers some of the best health care anywhere in the world. We will never achieve that without the clinical leadership that is essential to delivering high-quality health care.

John Pugh (Southport) (LD): I thank the Secretary of State for having the grace and courage to respond to legitimate concerns. Given the agreement that exists in the House—not about the effects of the Bill, on which there is no agreement, but about its aims—does he agree that we should not get hung up about whether substantial changes will in future be referred to as “tweaking”, “surgery” or, possibly, “surgical tweaking”? Is not the main thing to get a Bill that carries the broad support of Parliament, NHS professionals and the country? We do not need to sell this Bill better; we need to take the spectre of salesmanship out of the NHS.

Mr Lansley: The hon. Gentleman and I know one another well enough to know that we share a commitment to the NHS and that I am determined. Perhaps I sometimes get very close to all of this because I am very close to the NHS. I spend my time thinking about this subject and I spend my time with people in the service. I spend my time trying to ensure that the Bill is a once-in-a-generation opportunity to get it right for people in the NHS—they want to be free. The British Medical Association made it clear that it wants an end to constant political interference in the NHS. We can do that only if we secure the necessary autonomy for the NHS, and if we make accountability transparent, rather than having constant interference from this place or from Richmond house.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): How many managers who have lost their jobs will be re-employed during this pause?

Mr Lansley: I do not have a figure for how many have been re-employed. The hon. Lady will know that under the process by which people agreed with the NHS to take resignation and, more recently, in voluntary redundancy terms, after six months there is an opportunity for people to take jobs—we are not depriving them permanently of the ability to take jobs. Indeed, one of the responsibilities of the commissioning consortia will be to find the best people, but we are doing that now. That is why we continue to make progress on the ground by the assignment

of PCT staff to commissioning consortia and to local authorities, in order to ensure that they are beginning to take on their responsibilities.

Conor Burns (Bournemouth West) (Con): My right hon. Friend will know that many GPs are very excited by the opportunity that his reforms will give them to serve the needs of their local communities even better. Can he assure those GPs that he has no plans to water down that strengthening of their pivotal role in the national health service?

Mr Lansley: I am very grateful to my hon. Friend. This is born not of political opportunism, as it seems to have been characterised by the Opposition, but of a determination to support those people in constituencies that my hon. Friends on this side of the House have been talking to and listening to. As he knows, GPs in his area have come together. For example, when I met people at Southampton hospital recently, they were able to talk about how they were working together on improving the clinical design of services for patients in his area.

Malcolm Wicks (Croydon North) (Lab): Why has the Secretary of State waited until now, after the passing of the Bill through its Committee stage, to announce a so-called natural break in which to listen to and engage with the public? Perhaps I am old-fashioned, but would not the normal process involve getting the brain into gear to avoid putting the foot in the mouth?

Mr Lansley: If I did not come to the House to make a statement, I would be accused of not doing so, but when I do so, the Opposition ask why. The reason is very simple: it is because we are going to listen, and to engage with people actively over the course of the coming weeks, and I did not want the House to see that happening during the recess without having been told about it beforehand.

Mr Bernard Jenkin (Harwich and North Essex) (Con): Does my right hon. Friend agree that only the most cynical people could criticise him for wanting to consult more about the changes that he wants? *[Laughter.]* And that only the most cynical could treat the NHS as a laughing matter? Will he maintain the goal of delivering the prize, which is to give local people, through their local GPs, more control over the resources that the NHS spends in their name?

Mr Lansley: Yes, I agree. Indeed, in north-east Essex, the consortium under Dr Shane Gordon's leadership is doing exactly that. I personally think that leadership and listening are not mutually exclusive, and we are going to continue to do both.

Valerie Vaz (Walsall South) (Lab): In the spirit of openness, will the Secretary of State please place in the House of Commons Library a copy of the legal advice on whether EU competition law will apply to the provisions in the Bill?

Mr Lansley: The hon. Lady should know, as a member of the Health Select Committee, that I wrote to the Chair of the Committee just last week and set out the position very fully. The Bill does not extend the scope or application of competition law at all.

Mr David Evennett (Bexleyheath and Crayford) (Con): I welcome my right hon. Friend's statement. Does he agree that reduced bureaucracy and better local scrutiny and accountability will ensure a better NHS for all?

Mr Lansley: Yes, my hon. Friend is absolutely right. Locally, he can see how that is happening as GP leaders—including Dr Howard Stoate, whom Members will fondly remember, as the chair of the clinical cabinet in Bexley—are coming together to look at issues that the previous Government never dealt with, including those relating to the South London Healthcare NHS Trust and to Queen Mary's hospital in Sidcup. They are coming forward with proposals to improve services for local people, and I applaud that kind of clinical leadership.

Joan Ruddock (Lewisham, Deptford) (Lab): Before the general election, the right hon. Member for Witney (Mr Cameron) promised an extra 3,000 midwives. Has the Secretary of State noted the alarming rise in preventable maternal mortality? Would the Secretary of State not do better to deliver on his Prime Minister's promises and abandon his reckless reorganisation?

Mr Lansley: The right hon. Lady must know that we continue to have a record number of midwives in training, and that the number of midwives in the health service has continued to increase since the election. In the financial year that is just starting, the number of commissions for training will continue to be at a record level.

Gordon Birtwistle (Burnley) (LD): The Secretary of State is aware that under the Labour Government, accident and emergency and children's services were transferred from Burnley to Blackburn. The transfer was opposed by the majority of GPs and 95% of the local community. It was supported only by the bureaucrats in the PCT and the SHA and by prima donna consultants. Will the Secretary of State confirm that under his new proposals that will never happen again and that such decisions will be taken only following full consultation and agreement with GPs and local communities, rather than being driven through as they were by the previous Government?

Mr Lansley: I am grateful to my hon. Friend. In Burnley and other places—I think not least of Maidstone—decisions were made in the past, under a Labour Government, that clearly did not meet the tests that we now apply, which are about public engagement, the support of the local authority, engagement with general practices leading commissioning, the clinical case and the responsiveness to patient choice. Those tests will be met in future. As we go through the painful process of examining how they are applied to the situations that we have inherited, on occasion we can say things to help colleagues, but sometimes we cannot.

Mr Gerry Sutcliffe (Bradford South) (Lab): It is not only the Health Secretary who cares about the NHS. Most people in the House support the NHS in their constituencies and the work that it carries out, but the mistakes that the Secretary of State has made—I hope he will admit that he has made mistakes by not listening—mean that there will already be costs to the health

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service because of the Bill. Will he publish an impact assessment of the costs to the health service so far of his failed policies?

Mr Lansley: I am afraid the hon. Gentleman is wrong on a number of counts. First, we have listened and we will continue to listen. Secondly, of course there are costs in reducing the number of managers in the NHS, but it is absolutely essential that we reverse the decade of declining productivity in the NHS that took place as the number of managers went up by 78%. How can that be the right way forward? Under Labour, we had more managers and less productivity.

Andrew Percy (Brigg and Goole) (Con): The Secretary of State will be keen to know that many of the GPs I have met in my constituency are keen on the idea of GP commissioning, but there is undoubtedly concern about the exact role of the private sector in the NHS. May I urge the Secretary of State to use these next few weeks or months to ensure that in the country and if necessary in the Bill we make it perfectly clear that the private sector will not be allowed to undercut or undermine our local hospitals?

Mr Lansley: Yes. I am grateful to my hon. Friend. Our manifesto was clear that patients should be able to have access to a provider who gives them the best quality, be it the NHS, a private sector provider or a voluntary provider. That was in the Liberal Democrat manifesto and in the Labour manifesto. It is always about ensuring that that provider is properly qualified and that the basis of that choice is quality, not price. There cannot be a race to the bottom on price. We make it very clear in the legislation—it is important to set this out—that the commissioners of local services will also, through designating services, be able to ensure that where patients need services to be maintained and need continuity of services they can set that out themselves.

Mr Dennis Skinner (Bolsover) (Lab): Why does the Secretary of State not admit that the policy is unravelling before the eyes of the British public? The thousands that have been writing to MPs in every constituency now know that the truth is out. Instead of waiting for the natural break, and then a reshuffle, and then a resignation, he should do the honourable thing now and resign today.

Mr Lansley: I will tell the hon. Gentleman one thing: I and my colleagues on the Government Benches talk to people in the constituencies who are getting on with this. That is what is so impressive. People across the NHS are seeing the opportunity to bring more clinical leadership and more democratic local accountability to fashioning an improving health service. That is what I am determined to achieve.

Priti Patel (Witham) (Con): Excessive bureaucracy and a record level of managers have dominated health care provision in mid-Essex. Will my right hon. Friend assure my constituents that, under his reforms, the funding for that excess will go to front-line patient care in the constituency of Witham?

Mr Lansley: Yes, I can. Under the coalition Government, in mid-Essex there has been a 3.2% increase in cash for the NHS this year compared with last year. Not only that, but more of that money will, as a consequence of our changes, get to the front line to deliver improving services for patients.

Clive Efford (Eltham) (Lab): “No decisions about us without us” could apply to every single person who works in the NHS who has been telling the Secretary of State that these are reckless changes. Throughout the country changes are taking place. Now he says that he is going to be listening. If so, we can anticipate some more changes. Will he therefore instruct everyone in the NHS who is currently restructuring on the basis of the Bill to stop that restructuring until we know exactly what the Government intend to do?

Mr Lansley: No, I will not, because we are very clear about the strategy and the principles of the Bill. We are equally clear that now we have the opportunity to work with the developing GP pathfinder consortia, the health and well-being boards in local authorities and the wider community to ensure that the implementation of the Bill and its structure support those developing organisations.

Mr Steve Brine (Winchester) (Con): I thank the Secretary of State for his helpful and useful update this afternoon, and welcome his assurances that the coalition wants to reform and modernise our NHS, right in line with its founding principles. He knows that I will continue to argue for greater transparency for the new GP consortia, and I hope we can still find a way to do that, but I warmly welcome his listening exercise, the measures contained in the Bill and the way he has made himself freely available to colleagues since taking up his post last year. May I urge him to continue doing that both in the House and, of course, outside it?

Mr Lansley: I am grateful to my hon. Friend. We will do that, not only formally across the country but in the informal manner that we do in the House. His point of view exactly illustrates the purpose of my statement. He served on the Committee that debated the Bill. Notwithstanding the good progress that the Bill has made and that we are making around the country, people have legitimate concerns and questions. They want to raise those and to know that we will listen and act on them.

Barbara Keeley (Worsley and Eccles South) (Lab): Can the Secretary of State say more about the future of care trusts? Integration of health and social care is vital to all our constituents. With all the uncertainty, staff are being lost and more could be lost. During this natural break, what can the Secretary of State say to preserve the continuity of those people doing that vital work and the continuing support for care trusts?

Mr Lansley: I reiterate the point that I made a moment ago. There is nothing in what I have said today that should do other than give people on the ground confidence that they are building the improvement of services that they need for the future. At the heart of that is the integration of health and social care. We as a Government have made available in this new financial year £648 million through the NHS specifically to build that kind of

integration between health and social care. It has been insufficient in the past; we are building it now. As the hon. Lady knows, the Bill allows care trusts to continue in formation, but it is also possible for care trusts to redesign around commissioning consortia on the one hand and health and well-being boards on the other.

Margot James (Stourbridge) (Con): The Leader of the Opposition stated his willingness to work with the Government on the NHS reforms. Does my right hon. Friend agree that a good place for him to start would be with a re-reading of his party's manifesto at the last election, which supported virtually every principle in our NHS Bill, with one important difference—it was without the additional funding to match?

Mr Lansley: My hon. Friend makes a very good point. I am not sure which Labour party we would be expected to engage with—the one whose manifesto agreed with us, the one for which the right hon. Member for Wentworth and Dearne spoke at a King's Fund meeting in January when he agreed with us, or the one that we saw in Committee, which opposed everything, tried to wreck the Bill and clearly has gone back to the Holborn and St Pancras view of the NHS.

Mr Jim Cunningham (Coventry South) (Lab): It is obvious that the public are extremely concerned about the Bill. Why does the Secretary of State not suspend the Bill and bring forward new proposals that we can all support?

Mr Lansley: I am afraid the hon. Gentleman does not seem to understand that the public support the principles of the Bill. The public want patient choice. When they are exercising their choice over treatment, they want to be able to go to whoever is the best provider. Patients believe that general practitioners are the best people to design services and care on their behalf. Patients, the public and professionals support the principles of “no decision about me without me”, focusing on outcomes and delivering an outcomes framework, and the devolution of responsibility. What we are talking about now is ensuring that other important principles, such as governance, accountability, transparency and multi-professional working, are genuinely supported by the structure of the Bill.

Dr Thérèse Coffey (Suffolk Coastal) (Con): My constituents in Suffolk were very concerned at the last election about the fact that only two doctors covered them for out-of-hours care, and that was for 600,000 patients. They welcome the reforms in the Bill. Indeed, Waveney and Great Yarmouth have come together as one pathfinder consortium and resumed out-of-hours care. Will the Secretary of State assure me that such important changes will continue to be important for patient delivery in the new Bill?

Mr Lansley: Yes, my hon. Friend makes an important point. When people talk about primary care trust commissioning, they might care to look at the report produced by the Care Quality Commission on how primary care trusts went about commissioning out-of-hours care. The answer is that they pretty much did it on the basis of cost and volume, rather than quality, and once they had a contract they did not monitor it, follow it up

or ensure that the right quality was there, including the right calibre of doctors. It is clear that general practice-led commissioning consortia will take a wholly different and preferable approach to that kind of commissioning.

Alison McGovern (Wirral South) (Lab): The Prime Minister's commission on the future of nursing and midwifery reported a year ago in March 2010. Of the 20 recommendations, all related to improving the quality of care in the NHS, which is my constituents' priority, not top-down reorganisation. During the pause that the Secretary of State has announced today, will the Government finally find time to respond to that important report?

Mr Lansley: Yes.

Richard Drax (South Dorset) (Con): Can the Secretary of State reassure me that any further listening will mean that retaining local community hospitals, which are much loved across the country and particularly in South Dorset, remains top of the agenda?

Mr Lansley: I can assure my hon. Friend that one of the central beauties of the Bill is that in future it will matter less what my priorities are and much more what the priorities are of his local communities and general practitioners and others who are responsible for commissioning in his area. On that basis, I have no doubt about the importance and priority that they will attach to community hospitals.

Nic Dakin (Scunthorpe) (Lab): I share and welcome the Secretary of State's commitment to reduce bureaucracy, so I am concerned to know why Monitor's budget is increasing by 600% over four years to police the marketisation of the NHS. Is that not poor value for money?

Mr Lansley: The Government are introducing for the very first time a clear limitation and reduction on the running costs of the NHS. That will include the Department of Health, the arm's length bodies, the strategic health authorities and the primary care trusts—the whole shooting match. We will reduce those costs by more than a third in real terms. Monitor forms part of that. We have made it clear that its estimated total running costs will be between £50 million and £70 million. That is more than at present because its responsibilities will be considerably larger than they are at present.

Mr Mike Hancock (Portsmouth South) (LD): As the Secretary of State will be aware, I chaired the majority of the Public Bill Committee's sittings. It was the longest Bill Committee for 12 years. During that time, more than 100 amendments were voted on in formal Divisions, and many hundreds of others were agreed to. If we are taking several months to look at this again, how on earth will the time be found to ensure that this House has enough time to scrutinise properly any changes, bearing in mind how much time has been spent on the Bill as it stands? I want an assurance, as I hope the whole House does, that we will be given sufficient time and that the Bill will not be steamrollered or bulldozed through the House.

Mr Lansley: I know that the whole Committee will have been grateful to my hon. Friend for his chairmanship, because what was achieved in Committee, as was acknowledged by the hon. Member for Halton (Derek Twigg), was that every inch of the Bill was scrutinised. It is our intention to secure proper scrutiny for any changes that result from our engagement.

Jim Shannon (Strangford) (DUP): The Public Bill Committee was one of the busiest since 2002, according to the Clerk, with 26 sittings and more than 100 Divisions. Does the Secretary of State not agree that that reflects the level of concern that the general public have, but that they will exercise theirs at the next general election?

Mr Lansley: No, I am afraid I do not accept that. All that 100 Divisions demonstrate is that time and again the Labour party was simply trying to divide the Committee in order to delay or, indeed, to wreck the Bill.

Tony Baldry (Banbury) (Con): GPs in Oxfordshire want to be catalysts for change. Collectively and collegially, they want to be able to design NHS services for the best and optimal benefit of the people of Oxfordshire. Can my right hon. Friend confirm that this statement means that they can continue to design those services and continue to plan to have an Oxfordshire-wide GP consortium, knowing that they will be able to go forward in the future to plan the best health services for the people of Oxfordshire?

Mr Lansley: Yes, I can indeed confirm that. Having joined my hon. Friend in Banbury in the past and met GPs there, I know and can say that, if they had been more fully engaged, as our plans would have meant, in the design of clinical services in Banbury or in the future of the Horton general hospital, for example, we would have had better and earlier outcomes than was in fact the case.

Barry Gardiner (Brent North) (Lab): The Secretary of State, in his letter to me of 23 March, dismissed my request that he discuss with the Comptroller and Auditor General concerns about the conflicts of interest which might arise from GP commissioning. The Secretary of State, in his statement today, refers to the concerns about those specific conflicts of interest. Will he now engage in a discussion with the Comptroller and Auditor General to receive best advice on methods of Government procurement?

Mr Lansley: I do not think I dismiss anybody; I might not agree with people, but I do not dismiss them. If I recall correctly, I did not agree with the hon. Gentleman's suggestion because he misunderstood the fact that the consortia are separate statutory bodies, not private bodies, and separate from GP practices, which are individual contractors to the NHS. The confusion between those two things meant that his point was not valid.

Duncan Hames (Chippenham) (LD): My constituents, who have watched primary care trusts halve the number of community hospital medical beds in Wiltshire, know that NHS reform is needed to make decision makers accountable, so how does the Secretary of State propose to strengthen the public and patient voices on the boards of the GP consortia that will replace them?

Mr Lansley: Clearly, this is an area that we will engage in over the coming weeks, but the Bill is already clear that the consortia must engage the public and patients directly. We can look at how we can strengthen that, but we must never lose sight of the fact that, through local health and wellbeing boards, we are creating for the first time a very much stronger public representative voice in relation to all such decisions, including commissioning and planning, and that, through HealthWatch, we are creating for patients an altogether stronger, more comprehensive patient voice, which will have a statutory right to be consulted and to express a view on all those commissioning issues.

Diana Johnson (Kingston upon Hull North) (Lab): Exactly how long will the natural break be, and how will we know whether the Secretary of State has listened?

Mr Lansley: I think the hon. Lady must accept that, because I have come to the House and made it very clear that we are going to do this thing. We are going to set it out, I have done so before the recess, and it will take place during the recess and beyond. But, from my point of view, I think that in the formation of the policy and its introduction there has been a genuine process of listening. It is now a genuine process of listening and engaging to ensure that we get the implementation right.

Mr Peter Bone (Wellingborough) (Con): This has been a very good day for the coalition Government, a great day for the Secretary of State and a superb day for Parliament. What Opposition Members do not seem to understand is that this is about Parliament scrutinising a Bill and improving it. Does the Secretary of State agree that he should listen not to those dinosaurs but to Parliament?

Mr Lansley: I am grateful to my hon. Friend. My objective is to ensure that the statutory structure for the NHS moves on from one that had virtually no serious accountability. As Secretary of State, I could have done most of this without the legislation: I could have just abolished most of the primary care trusts and strategic health authorities. Previous Secretaries of State behaved in that cavalier fashion, but we are not doing that; we are giving Parliament the opportunity—a once-in-a-generation opportunity—to give the NHS greater autonomy and, in the process, to be transparent about the structure of accountability.

Kate Green (Stretford and Urmston) (Lab): Is the Secretary of State aware of the instability that we are experiencing in the management of NHS services in Trafford, with provider services off at Ashton-under-Lyne, Wigan and Leigh on a temporary basis, with Trafford Healthcare NHS Trust forced to find a new partner for its management, and the primary care trust forced, first, to combine with other Greater Manchester care trusts for one year, before splitting into GP consortia next year? In view of all that instability and the uncertainty that it is causing to staff in the NHS and at Trafford, will the Secretary of State ensure that he has the adequate support in terms of project and change management that appears to be so lacking at present?

Mr Lansley: Let me make it clear to the hon. Lady that many of the things she is describing in Trafford are the result of things that the last Labour Government failed to do. For example, the last Labour Government said that all NHS trusts should meet the criteria to become foundation trusts by December 2008, but they did not do it. We are now having to help NHS trusts to meet the kind of quality and viability standards that they did not meet in the past, which is at the heart of many of the problems she describes. Do we have management resources? Yes, we do. That is one of the reasons I invited Sir David Nicholson, as chief executive of the NHS, to be the chief executive of the new NHS commissioning board so that the design of commissioning for the future will be completely consistent with the transition and the management of the change in the NHS today.

Mary Macleod (Brentford and Isleworth) (Con): I thank my right hon. Friend for standing firm in his desire to improve the NHS. Will he join me in commending the work of the Great West commissioning consortium in London and others, who have approached these reforms with professional leadership and commitment to make the NHS more efficient and improve public health, ensuring better care for all patients?

Mr Lansley: Yes, I do join my hon. Friend in applauding the Great West commissioning consortium, because it and others across London are demonstrating that instead of having the top-down diktat of how services should be changed in London, they are in the process of designing, from the point of view of the populations they serve, what the requirement is for them and their services in their area. That is a better and more sustainable basis on which to design community-led and primary care-led services for the future.

Mr David Anderson (Blaydon) (Lab): This debate was confused before today. Can the Secretary of State put in writing exactly what things will be put on hold and what things will carry on? For example, he said that he is taking a natural break but GP commissioning groups can still continue to be set up. If the natural break is a good idea, surely that is a pointless exercise.

Mr Lansley: No, the hon. Gentleman misunderstands. I was very clear in my statement and in subsequent responses to questions. Right across the country, there are thousands of people who are developing the pathfinder consortia, taking NHS trusts through to foundation trust status, and building the health and well-being boards and new public health structures in local government. They should be confident in doing that, because the Government continue to be committed to achieving those changes. In the process of doing so, we will engage with them to ensure that the legislation specifically gives them the support that they need.

Nadhim Zahawi (Stratford-on-Avon) (Con): I congratulate my right hon. Friend on engaging and listening. We have all received the 50 or so e-mail circulars from constituents who are concerned, but that does not reflect the evidence on the ground. GPs in Shipston in my constituency are absolutely passionate about the reforms and want to engage fully with them, as do 220 other groups—87% of the country. May I

make a suggestion to the Secretary of State? Perhaps we should bring all those people who are passionate about this reform and want to take party politics out of it together with Labour Members on a platform so that we can take this forward without petty politics derailing a brilliant piece of legislation.

Mr Lansley: I am grateful to my hon. Friend. Labour Members sit and laugh about this, but they ought to realise that 1 million patients a day visit their local general practice surgery. GPs across the country who have come together to form pathfinder consortia—87% of the country—are doing it on the basis that they can improve services for patients. I suspect that they understand the needs of their local community and patients better than many Labour Members, who are not listening to their GPs locally.

Grahame M. Morris (Easington) (Lab): I would like to thank the Secretary of State for single-handedly destroying the Government's reputation on the NHS through this Bill. No amount of minor changes or slowing down of the pace will address the Bill's fundamental failure to protect the public from privatisation by stealth. If he refuses to resign, is he worthy of his nickname, Broken Arrow—he doesn't work and he can't be fired?

Mr Lansley: The hon. Gentleman might like to talk to Dr Stewart Findlay, who is among those leading the pathfinder consortium in County Durham. He might like to talk to people locally who are piloting the new 111 telephone system, which will give better access and better urgent care to patients. Instead of sitting there making rather absurd political points, why does he not go and talk to people who are delivering services to patients? That is what the NHS is really about.

David Rutley (Macclesfield) (Con): In east Cheshire, there is no lament for the passing of the PCTs. In fact, there is a positive response to GPs having a greater say in how health care is delivered locally. Will the Secretary of State tell the House how GPs will be updated on progress over the coming weeks?

Mr Lansley: I am grateful to my hon. Friend. We are not only developing communication with GPs in pathfinder consortia, but, more importantly, creating a learning network among GPs in pathfinder consortia, so that these groups across the country will not only learn from each other, but, we hope, arrive at a set of views that help us to design a service that supports them.

Toby Perkins (Chesterfield) (Lab): The Secretary of State, who tells us how much he studies the NHS, must know that the King's Fund tells us that under the Labour Government, Britain's NHS was the most efficient in the entire world. On that basis, a broad coalition of people, including health experts and the Liberal Democrats, is telling him that this policy is wrong. He apparently came here today to tell us why he is right and all those people are wrong. Is this a genuine consultation, or is it just a pause to get through the local elections before he does what he wants to do anyway?

Mr Lansley: The hon. Gentleman is wrong on almost every count. We have seen a decade of declining productivity in the NHS. The Office for National Statistics and the

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National Audit Office set that out recently. We have seen an NHS that, despite record increases in funding, which are welcome, is still not meeting the best European cancer survival rates, as was made clear by the NAO. We need to improve the NHS. The Government are not discounting anybody's views on how we can best achieve that. In the spirit of continuous improvement in the NHS, there is a spirit of continuously listening about how to make that happen.

Dan Byles (North Warwickshire) (Con): Does the Secretary of State share my amazement that in recent months the Labour party seems to have U-turned on patient choice and on any willing provider, and does not appear to support putting clinicians in charge of commissioning health care? Its only policies seem to be "Save the PCTs", "Save the SHAs" and "Save NHS bureaucracy".

Mr Lansley: I am grateful to my hon. Friend. Perhaps having increased the number of managers in the NHS by 70%, the Labour party thought that it would be swept to victory on the votes of NHS administrators. That did not happen. People in the NHS knew that waste, inefficiency and excess bureaucracy were not the way to deliver the best care for patients. That was Labour's way; it will not be our way.

Bill Esterson (Sefton Central) (Lab): Given that the Secretary of State will not instruct NHS managers to take a natural break in implementing his so-called reforms, does he understand why his intention to make changes after the natural break might be questioned? As colleagues have suggested, is the natural break just like every other Tory consultation—a sham?

Mr Lansley: There is nothing sham about this. This is serious business, not a political game, as it appears to be for Opposition Members. Tens of thousands of people across the NHS are engaged in managing and developing new services, which will deliver improving outcomes and be more responsive to patients, through devolved decision making in the NHS. I think that we should simply help and support them, not least by listening to them.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): The Secretary of State told my hon. Friend the Member for Scunthorpe (Nic Dakin) that the budget for Monitor will be between £50 million and £70 million, but the Health and Social Care Public Bill Committee, on which I sat, heard that it would be between £40 million and £130 million. Does that not show that not only are the Government not listening to this side of the country but are not even listening to their own facts?

Mr Lansley: I answered that question earlier.

Murder of PC Ronan Kerr

5.44 pm

The Secretary of State for Northern Ireland (Mr Owen Paterson): With permission, Mr Speaker, I would like to make a statement about the murder of Police Constable Ronan Kerr in Omagh on Saturday afternoon. Shortly before 4 pm, a device exploded, destroying his car in Highfield close, a quiet residential neighbourhood in the town: 25-year-old Constable Kerr died as a result of his injuries. I am sure that the whole House will join me in sending our deepest sympathies and heartfelt condolences to the family, friends and colleagues of this brave young officer. He was a local man who, having gained a university degree, decided upon a career in the Police Service of Northern Ireland. He dedicated his life to the service of the whole community; the terrorists who murdered him want to destroy that community. The contrast could not be clearer.

These terrorists continue to target police officers and endanger the lives of the public. We all pay tribute to the PSNI and the Garda for their remarkable commitment and for their success in thwarting a number of recent attacks. Working seamlessly together, last year they charged 80 people with terrorist offences, compared with 17 in 2009. However, regrettably, on Saturday a device exploded, killing Constable Kerr. His murder was a revolting and cowardly act perpetrated by individuals intent on defying the wishes of the people.

Following Saturday's attack, the PSNI immediately began a painstaking murder inquiry. The House will understand that that meticulous work is still in the early stages. I saw the Chief Constable yesterday and I know that the PSNI, working closely with the Garda Síochána, will not rest until these evil people are brought to justice. I reiterate in the strongest terms the Chief Constable's appeal for anyone with any information to bring it to the police.

The PSNI has support from right across the community and is responsible to locally elected politicians. Just over a year ago, we strongly supported the previous Government's determination to devolve policing and justice, and we backed the very significant financial package that accompanied that devolution. After the election we endorsed proposals for a further £50 million for the PSNI, specifically to confront the terrorist threat. In the national security strategy, published last October, we made countering terrorist groups a tier 1 priority. We have agreed an exceptional £200 million of additional funding over four years, as requested by the Chief Constable, so that he can plan ahead with certainty.

As the Prime Minister said on Saturday,

"the British Government stands fully behind the Chief Constable and his officers as they work to protect Northern Ireland from terrorism".

That cannot be done by a security response alone, crucial though that is. It can be resolved in the long term only by the community itself, together with strong leadership by local politicians. That leadership was evident again this morning when the First and Deputy First Ministers and the Justice Minister stood as one with the Chief Constable to reiterate their determination that these terrorists will never succeed. They all called for the active support of the PSNI. They spoke for the

people of Northern Ireland, and their condemnation of this grotesque murder has been echoed in London, Dublin and Washington.

Our clear and united message to these terrorists is that they will not destabilise the power-sharing institutions at Stormont, they will not deter young Catholic men and women from joining the police service, and they will not drag Northern Ireland back to the past.

Thirteen years ago, the agreement was endorsed by overwhelming majorities in Northern Ireland and the Republic of Ireland. That was the true democratic voice of the people of Ireland, north and south. They, above all, will ensure that the terrorists fail. The visit of Her Majesty the Queen will shortly reinforce the fact that relations within these islands have never been stronger.

Today, politics in Northern Ireland is stable. The democratic process is established. An Assembly has completed its first full term in decades. At the elections in May, voters will choose their politicians to serve in the new Assembly based on everyday bread-and-butter issues. That is democracy in action.

Those who murdered police Constable Ronan Kerr fear democracy. The Omagh bomb in 1998 did not destroy the peace process. The terrorists failed then and they will fail now. They will not deflect us from our shared determination to build a peaceful, stable and prosperous Northern Ireland for everyone.

In the powerful and moving words of Constable Kerr's mother yesterday:

"We were so proud of Ronan and all that he stood for. Don't let his death be in vain."

Mr Shaun Woodward (St Helens South and Whiston) (Lab): I thank the Secretary of State for his statement. The House can only echo and underline the sincerity and unity with which the leaders of all Northern Ireland's political parties—nationalist, republican and Unionist—have spoken. The Opposition are part of that single voice, which reverberated around the world this weekend.

We remember Constable Ronan Kerr with profound respect. Our hearts go out to his mother and family, and to the people of Omagh, for whom the brutal assassination reopens a deep wound. We think, too, of the police family of Northern Ireland, who today deeply mourn their colleague, but will be at work, the gravest risks to each no less, serving the community selflessly.

The men and women of the PSNI do not see themselves as extraordinary, but in what we ask of them, in the gravest risks that they daily face, we know them as extraordinary. In his courage and service, Ronan Kerr exemplified that spirit. His commitment to working for one community—Protestant and Catholic—stands in absolute juxtaposition to the deluded and demonic deeds of those who targeted him.

However futile their actions, those behind the psychotic acts of violence seek to bring fear and terror back to the streets of Northern Ireland. Constable Kerr was not an isolated target, nor was the attack random. His death is profoundly shocking, but an attack on a police officer is not a surprise.

When the Belfast agreement was signed, as the head of MI5 acknowledged last year, we all hoped that the residual threat from terrorism in Northern Ireland would remain low and gradually decline. Regrettably, optimism must give way to realism. The threat is not low: today it

is severe. It is more serious today than in nearly 15 years and it is ongoing. A serious terrorist incident was attempted almost every week last year—a dramatic and regrettable escalation on previous years. Those people have improved capacity, increasingly sophisticated technical and engineering capability, and they aspire to extend their reach.

Today's terrorists may have little or no community support, but we make a grave mistake if we do not recognise that, in addition to those who refused to accept the peace agenda, a new generation is growing up, delusionally embracing a new wave of criminal and deadly violence. Their numbers grow significantly. Bordered on psychosis, their ambition is to instil fear through attempted bombings and murders. Their aspirations extend beyond Northern Ireland to Britain.

Excepting national security, responsibility today for policing and justice is devolved to Stormont. However, devolution does not absolve us at Westminster of our broader responsibilities to the people of Northern Ireland. The Secretary of State recently succeeded in persuading the Treasury to provide additional resources from the reserve. He is to be congratulated on that. That, of course, was before this attack.

If the Chief Constable should require—to fulfil the ongoing demands of community policing for the public and, of course, for the safety of his officers—further additional resources for overtime, forensics, vehicles and other items to meet the threat, will the Secretary of State reassure the House that they will be agreed and made available without delay?

To tackle today's threat, we must ensure that we not only contain the existing terrorists, but do all we can to stop alienated young people being drawn into that pattern of crime. The Secretary of State will know of the work of Co-operation Ireland, which is urgently seeking additional financial support for its critical work from, among others, the British Government. He knows the former deputy Chief Constable, Peter Sheridan, who leads that work. The organisation has made cutting-edge proposals, tackling the sectarian legacy but also dealing with real problems in the present. Will the Secretary of State consider the proposals sympathetically and renew his support for additional funding with the Chancellor?

The Home Secretary raised the threat level in Great Britain last September. To ensure that we are guided not by optimism, but by realism, will the Secretary of State reassure the House that the Government will learn from not only the mistakes that we made in the past, but the security measures that we got right?

Will the Secretary of State confirm that he is satisfied from discussions with the Home Secretary that here in Britain police forces have and will continue to have the resources they need to address the threat appropriately? Will he also confirm that, at all levels of Government, there is no complacency? Prevention should be our guide.

On national security, and if we are to learn, as the head of MI5 said, from "the pattern of history", will the Secretary of State tell the House that he is fully satisfied with the co-operation between the PSNI and forces here in Britain, including on timely and comprehensive sharing of information?

Without capability, the threat from terrorists will be significantly contained. Those who supply the criminals must also be brought to justice. Will the Secretary of

[Mr Shaun Woodward]

State confirm that anyone involved today or in the past in the supply of weapons or explosives will not be given immunity from prosecution? Will he confirm that, should the PSNI wish to conduct interviews with any foreign nationals currently in Britain, the Government would immediately help facilitate that?

Hon. Members will have seen the statement that Constable Kerr's mother made on television last night. Yesterday was mothering Sunday. When so many sons and daughters remembered what their mothers had given for them, Constable Kerr's mother, in her darkest hours of grief, shared with our country what her precious son meant to her and her family. We all have a duty to ensure that Ronan's death will not be in vain. Let us be judged on what we now do.

Mr Paterson: I thank the right hon. Gentleman for his comments and support, which send a strong signal across the world that the House is united on the issue.

The right hon. Gentleman mentioned contingency. We have made it clear that, as under the arrangements that he fixed with the Executive at the time, should the threat increase, we are prepared to consider the reserve, but let us look at what we have done. We confirmed £50 million last year and got an exceptional £200-million programme agreed this year for the next four years. Today, the Chief Constable said:

"We have the resources, we have the resilience and we have the commitment."

As I said in the statement, we are supportive of work with community groups, and I spoke to the chairman of Co-operation Ireland this morning. We will consider a range of alternatives because, as I made clear, there is not just a security solution.

My right hon. Friend the Home Secretary has made counter-terrorism a priority, and budgets are protected. I am absolutely confident that there is increasing and improved co-ordination between the PSNI and GB-based forces. She came to Belfast to discuss that with the Chief Constable a few months ago.

Finally, I assure the right hon. Gentleman that no immunity has been given to anyone. If he were present for the statement from my right hon. Friend the Foreign Secretary, he would have heard him say quite clearly that Musa Kusa is not being offered any immunity from British or international justice. He also said during his statement that we believe in the rule of law.

Several hon. Members rose—

Mr Speaker: Order. This is a matter of the utmost gravity, which is being treated as such by the Secretary of State and the shadow Secretary of State. However, I hope the House will understand when I remind Members of the very heavy pressures upon time, the further Government statement to follow and an Opposition day debate. Therefore, brevity from Back Bench and Front alike from now on is vital, and it will be enforced if necessary from the Chair. It is no good Members saying, "Ah, but the point I had to make was important." They are all important, but we must make progress, and I cannot guarantee accommodating everybody.

Mr Laurence Robertson (Tewkesbury) (Con): May I thank the Secretary of State for the advance copy of his statement, and on behalf of the Northern Ireland Affairs Committee join him in condemning this evil and cowardly murder? I do not believe that those people have any legitimate political aims, but, if they do, is it not worth drawing a parallel and reminding them that a murderous campaign by the IRA made any change in the jurisdiction and constitutional position of Northern Ireland less, rather than more, likely?

Mr Paterson: I am grateful to the Chairman of the Select Committee for his comments and for the Committee's support on this issue. We are quite clear that there are now mechanisms for everyone in Northern Ireland to pursue their legitimate political ambitions by peaceful, democratic means. There is absolutely no excuse, and no place for violence that is in theory for a political cause.

Mr Nigel Dodds (Belfast North) (DUP): Our sympathies and prayers are with the Kerr family at this terrible time. I spoke to Mrs Kerr yesterday in her family home. Her courage and bravery, and that of her son Ronan, stand in stark contrast to the cowardly callousness of those who murdered him. At this time, does the Secretary of State agree that the best answer, as I said at Prime Minister's questions only last Wednesday, is for the people of Northern Ireland to stand together, as they are standing together, as one community, to reject these men of violence, and to keep Northern Ireland moving forward? That is the clear, united voice coming from Northern Ireland and this House today, and Ronan's death will not be in vain.

Mr Paterson: I wholeheartedly concur with the right hon. Gentleman's comments. For Mrs Kerr, yesterday afternoon, under those circumstances, on mother's day, to welcome politicians to her house and to come out after that to make the statement that she made, was a quite remarkable moment. We all owe it to her to do exactly as the right hon. Gentleman says—to rally round together. I encourage everyone to participate, campaign and vote in the coming elections in Northern Ireland, to show that that is the way for Northern Ireland to progress.

Kris Hopkins (Keighley) (Con): May I offer my condolences to the family, friends and colleagues of Constable Ronan Kerr? Will the Secretary of State join me in continuing to support, honour and celebrate the brave men and women of the PSNI, which can today proudly and rightly say that it is drawn from all communities in Northern Ireland?

Mr Paterson: I am happy to confirm to my hon. Friend that we now have a police service that is well manned with personnel from right across the community, with strong local support, and one that is endorsed by all the main political parties. That is a major force for good.

Ms Margaret Ritchie (South Down) (SDLP): I thank the Secretary of State for his statement. As the only leader of a Northern Ireland party who is a Member of this House, I wish to add the voice of the Social Democratic and Labour party to those who have

condemned this murder, and who are determined that its perpetrators are brought to justice. I was happy yesterday to speak to Mrs Nuala Kerr, and to her two sons and daughter, to convey those sympathies on behalf of the wider community and my party.

Such killing was always wrong. It was wrong even when there was some political support for such violence. While we grieve for Constable Kerr and remember Constable Carroll, let us include in our prayers all those who have died throughout Northern Ireland.

Given the level of infiltration of the dissident groups by the security services, will the Secretary of State give a firm assurance that the PSNI will receive every scrap of information and intelligence that is held by the security services that could be relevant to its investigation of this appalling murder of Constable Ronan Kerr? May I join other hon. Members in urging all members of the wider community in Northern Ireland who have information to pass it on to the PSNI in order to assist with the inquiry?

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We must have much shorter questions, although I understand their importance.

Mr Paterson: I wholeheartedly concur with the hon. Lady's comments. Her party has a proud record of pursuing its political ambitions by democratic means through the most difficult times. She asked about the security services. I shall repeat the comments of Lord Carlile, who is an independent assessor of these matters:

"MI5 and the PSNI are working very closely together and one really could not have more work being done and more energetically to try and deal with what is a very difficult threat".

Tom Brake (Carshalton and Wallington) (LD): Will the Secretary of State join me in commending Nuala Kerr for the conspicuous and formidable moral leadership she has shown since the callous and senseless murder of her son, and in urging all politicians to demonstrate the same conspicuous and formidable moral leadership in dealing with the terrorists who murdered her son?

Mr Paterson: I am grateful to my hon. Friend for that strong comment. I entirely concur with what he said about Mrs Kerr, and I remind everyone of what she said yesterday.

"We all need to stand up and be counted and to strive for equality... We don't want to go back into the dark days again of fear and terror."

Naomi Long (Belfast East) (Alliance): May I add my sincere sympathies to those expressed by the Secretary of State to the family, colleagues and friends of Constable Ronan Kerr. I also add to the Secretary of State's call to those who have information that could lead to those who perpetrated the attack being brought to justice. Their destructive and murderous attack is in stark contrast to the constructive role that the PSNI plays in our community in trying to build for the future.

Does the Secretary of State agree that this was an attempt to drive young Catholics out of the PSNI, and to drive a wedge between it and the community? Does he agree that the best way to avoid that is for us to stand shoulder to shoulder with those police officers and give them our full support?

Mr Paterson: I am very grateful for the hon. Lady's supportive comments. She rightly paid tribute to the Kerr family. I again quote Mrs Kerr, who yesterday said:

"I urge all Catholic members not to be deterred".

I do not believe that they will be.

Mr Ben Wallace (Wyre and Preston North) (Con): The thing that sets the Provisional IRA apart from the dissident republicans is that in the early 1990s the Provisional IRA recognised that above what it wanted was what the public and community wanted, and that the community did not want violence as a way of solving the troubles. Will the Secretary of State take this opportunity to tell us whether the whole Catholic community is fully behind the family of Constable Kerr, and will he consider redoubling his efforts to ensure that more Catholics join the PSNI?

Mr Paterson: My hon. Friend gives me an excellent opportunity to confirm that to my knowledge there is overwhelming support for the legitimate institutions and for the legitimate, peaceful parties—I cite as an example the minute's silence at the Gaelic Athletics Association game yesterday in Tyrone, which is a very strong republican area. There is absolutely no place for political violence in Northern Ireland.

Paul Goggins (Wythenshawe and Sale East) (Lab): May I also join the Secretary of State in extending my deepest sympathy to Mrs Kerr and her family? Does he share my concern that, more than two years on, those who were charged with the murder of Constable Stephen Carroll are still to come to trial? Will he take this opportunity to voice his strong support for Minister Ford's efforts to speed up the justice system in Northern Ireland, so that those who go out to murder police officers will be reminded not only that they will be caught, but that if they are convicted they will spend most if not the whole of the rest of their lives in prison?

Mr Paterson: The right hon. Gentleman will have direct experience of these matters and I know that there has been frustration in the past about the slowness of the system, so I congratulate Justice Minister Ford on having introduced measures to speed things up. I also point out that there were 17 charges in 2009, that the number jumped to 80 in 2010 and that there have already been 16 charges this year, so we are definitely bringing in measures to speed things up.

Patrick Mercer (Newark) (Con): The death of Constable Kerr is obviously an extremely sad event, but will the Secretary of State join me in congratulating the policemen and soldiers who cleared a 40 lb anti-personnel device this time last week in the centre of Londonderry, and will he explain whether he believes that the two incidents are linked?

Mr Paterson: I thank my hon. Friend for that question and I am happy to put on the record my wholehearted congratulations—I touched on this in my statement—of the work not just of the PSNI but of the Garda Síochána, who are working extremely closely. I think we should pay tribute to the co-operation we are getting from the Dublin Government, from both parties. I have talked to

[Mr Paterson]

Eamon Gilmore—the Minister for Foreign Affairs and Trade and the Tanaiste—and to Alan Shatter, the Minister for Justice, Equality and Defence. Today, I also talked to Martin Callinan, the Commissioner, and I confirm that we are working extremely closely. My hon. Friend is right that there has been a succession of events, week after week; I would not want to comment today on whether they are linked to this one, but we are determined to work together and bear down on these dangerous people.

Jim Shannon (Strangford) (DUP): I congratulate the Secretary of State on his leadership at this time, which is much appreciated by MPs from Northern Ireland. We do not want to be dragged back to the past and the dark history that we had for many years. I am aware that there has been a large reduction in the number of police officers, which might have fallen to approximately 7,000. What steps will the Secretary of State be taking in relation to resources and training to ensure that the stipulated 7,500 figure is reached through the urgent and immediate training of officers to ensure that we have significant and adequate police coverage on the ground?

Mr Paterson: On police numbers, we have contributed major extra funds this year, as requested by the Chief Constable. I repeat what he said today:

"We have the resources, we have the resilience and we have the commitment."

How he divides up the funds that have been provided to him and the Justice Minister is a matter for him. Those are operational matters and not for me to answer from here.

Mark Durkan (Foyle) (SDLP): I thank the Secretary of State for the statement that he has unfortunately had to make today. Our thoughts are with the Kerr family, the policing family and all those for whom the awful events of the weekend have been a dreadful reminder of their own trauma. The Secretary of State rightly commended the strength of political unity. Does he agree that it is hugely important, in the context of the election campaign, that all parties make it clear that there is no political difficulty or difference that these terrorists can exploit for their warped agenda? Does he agree that Constable Kerr was a patriot and that those who killed him were not? He was a patriot who was honouring his country in the service of all in his community.

Mr Paterson: I am very grateful to the hon. Gentleman for his question. I entirely endorse his comments about Constable Kerr, who could have pursued another career. He had a university degree in a totally separate subject but he decided to work in his community for the benefit of the community. I entirely endorse the hon. Gentleman's comments about the behaviour of local politicians and local parties. The election campaign of the next few weeks is a glorious opportunity to rebut everything that these violent terrorists stand for. The election should be entirely about day-to-day issues. As I have said, I encourage every voter to participate and turn out. I encourage them to put these people in their place and show them that they have absolutely no representation or support anywhere in the community in Northern Ireland.

Mr David Winnick (Walsall North) (Lab): If the Provisional IRA could not achieve its aims over 30 years, despite all the crimes and atrocities it committed, why should the dissident republicans believe they can succeed?

Mr Paterson: I am grateful for the hon. Gentleman's question. To put it bluntly, they will not succeed, but one has to ask what on earth they think they achieved by ending this bright young man's career just as it began.

Mr David Hanson (Delyn) (Lab): Will the Secretary of State welcome the strong support from Secretary of State Clinton in her condemnation of this brutal murder? Will he assure the people of America that there is no support in the United Kingdom, in Northern Ireland, in the Republic or in the American Government for these brutal murderers who should be brought to justice as a matter of urgency?

Mr Paterson: I am grateful to the right hon. Gentleman for his question. We have had unstinting support from both parties in Washington and I was touched that Hillary Clinton, given everything else that is going on in the world, put out a very strong statement condemning this "cowardly act", which she said represented the "failures of the past". She said that the perpetrators' actions

"run counter to the achievements, aspirations and collective will of the people of Northern Ireland".

I spoke to Congressman King last night, who is the chairman of the Friends of Ireland group. He, too, has put out an extremely strong statement, which we all welcome.

State Pension Reform

6.15 pm

The Minister of State, Department for Work and Pensions (Steve Webb): With your permission, Mr Deputy Speaker, I would like to make a short statement about state pensions. The coalition has already taken steps to support current pensioners by reintroducing the earnings link for the basic state pension. Indeed, we went one step further with our triple guarantee, which will mean that a pensioner retiring today can expect to receive about £15,000 more in basic pension over the life of their retirement. However, the pensioners of tomorrow face a new landscape. With longevity continuing to increase, future pensioners can expect to work for longer and they may not have the same levels of housing equity. They are less likely to have the certainty of a final salary pension and from 2012 we will introduce a new system of automatic enrolment into workplace pensions.

Today, the Government are publishing a consultation document, which looks at whether the existing pensions system is suitable for meeting the challenges of the future. This Green Paper marks the next step in the coalition's plan to create a system that is fair and simple for pensioners and that rewards those people who do the right thing and take responsibility for their future. It is right that we ask people to take responsibility for their retirement by saving over the course of their working lives, but it is also right that the Government should play their part by ensuring that we support those who make the right choices for their future and those of their families.

If we want to encourage pension saving, the key is getting the state pension system right. The current system has been in a sort of permanent evolution for decades, which means that planning for retirement is fiendishly complex. The Green Paper sets out two options for reform, neither of which involves spending more money on future pensioners than has already been forecast through the existing system. The key is to spend the money we have better. The objective is clear: to move to a simple, contributory state pension system that provides flat-rate support above the level of the means-tested guarantee credit, which would be easy to understand, efficient to deliver and provide a firm foundation for further saving.

The first option involves bringing forward existing reforms so that the state pension would evolve into a two-tier, flat rate system more quickly. The second, more radical, option is to move to a single-tier state pension. Both options are for future pensioners; pensioners who have already reached state pension age by the date of reform would not be affected, so no existing recipient of state pension would see their income reduced. For future pensioners, we would also continue to honour the contributions that people have built up to the date of reform. The option of a single-tier state pension would be a marked improvement on the current system, which is dogged by complexity and confusion. During the transition, many would receive their single-tier pension from a combination of their state and contracted-out scheme, as happens now, which means that they would receive less than the currently estimated £140 directly from their state pension.

Let me give hon. Members an idea of just how confusing the present UK pension system is for the average person. The Pensions Commission has described it as one of the most complex in the world and a departmental survey on attitudes to pensions found that barely one in four people agreed that

"they knew enough about pensions to decide with confidence about how to save for retirement."

Worse still, few people have a clear idea of what their state pension will be worth when they retire. Critically, the current system actually discourages some people from putting anything aside; the mass reliance on means-tested benefits leaves people unsure whether they will benefit from the savings they make. Automatic enrolment into workplace pensions with employer contributions are due to start from next year, so we need to give people more clarity and certainty about what they will get from the state, thereby giving them a firm foundation for decisions about saving to fund their retirement.

For women, the low-paid and the self-employed, the state pension system can produce unfair outcomes. As a result, people in those broad groups are far more likely to have poorer state pensions, which we will address. Under a single-tier state pension, for example, the self-employed would be able to build up as good a state pension as anyone else. They stand to gain around £1.40 a week of state pension for every year of national insurance contributions that they make, up to a maximum of 30 years. That could provide them with a state pension of around £140 a week, instead of the current rate of £97. Currently, less than 50% of women in their late 40s or early 50s are expected to get £140 a week from state pension income in retirement. Our proposals would address that. We are clear that reform on this scale could take many years to deliver, but the prize—providing clarity to savers and all those planning for their retirement—is a real one.

There are two other, related issues. The Government recognise that means-tested benefits play an important role in targeting support where it is needed most and provide an essential safety net for the most vulnerable. However, means-tested benefits add to complexity and can be a real disincentive to saving for many people. Therefore, in addition to consulting on the two state pension options that I have briefly mentioned, the Green Paper seeks views on whether the current system of means-tested support would best meet the needs of future pensioners. On the state pension age, as life expectancy projections continue to be revised upwards, we also have a responsibility to ensure that the pensions system is sustainable and that the costs of increasing longevity are shared fairly between the generations. Therefore, as well as reforms to the state pension, we are consulting on the most appropriate mechanism for determining future changes to the state pension age.

As the coalition addresses those issues, I shall be seeking as many views and contributions to the debate as possible. We shall be asking all interested parties—hon. Members, employers, pension providers, members of the public and specialists—to work with us to ensure that we deliver the state pension system that the people of this country deserve. If we want future generations to take responsibility for their retirement, we need to deliver a simpler and fairer state pension system that acts as a foundation for people to build up to a decent income in retirement. Fairer, simpler systems that reward

[Steve Webb]

people who do the right thing and take personal responsibility for themselves and their families—these are precisely the same themes that run through the welfare reforms being implemented by my right hon. Friend the Secretary of State, from the universal credit to the Work programme.

With the Welfare Reform Bill we have set out how the coalition will transform working-age benefits to make work pay and tackle the root causes of poverty and welfare dependency, but we also need people to save for their retirement. We need automatic enrolment and employer contributions to work. With today's Green Paper we are setting out how we plan to transform the pensions system and create a simple, decent state pension that is easy to understand and efficient to administer. We need to ensure that saving for the future pays. I am proud to be part of this bold, reforming agenda. Today's Green Paper is a step on the road to a radical reform of the state pension system, and I commend this paper to the House.

Rachel Reeves (Leeds West) (Lab): I thank the Minister for advance sight of his statement—half an hour before he got to his feet. Given that the pensions Minister and the Secretary of State chose to announce the most positive elements of the Green Paper to the media over the weekend, I cannot help feeling that I am the only person who still has not seen it. Today we have heard proposals that include a universal flat-rate pension and further increases in the state pension age. Although in principle the move to a more simplified system is welcome, it raises a number of important questions.

The Labour Government recognised the importance of pension reform. Labour made great inroads, particularly in lifting more than 1 million pensioners out of poverty and in recognising the vital role that people—mainly women—play as carers. The Labour Government reduced the number of years needed to qualify for a basic state pension to 30, helping women, while more generous credits for carers have ensured that more people are now entitled to a higher level of the state second pension. Labour also introduced automatic enrolment, helping the up to 8 million people who previously did not put money aside for their pensions to save. Although we welcome the fact that the Government are continuing with automatic enrolment, we disagree with the watering down of some of those proposals.

Previous changes to the state pension mean that, based on new accrual rates and assuming 30 years of national insurance contributions or caring credits, a low-paid woman or someone in a caring role would be entitled to a basic state pension of £102.15 a week, plus £43.50 in the state second pension, totalling £145.65 a week, or more if she had 40 years of contributions. The figure of £140 a week that the Minister set out must be seen in that context. Pensioners and families must assess the proposals carefully to ensure that they are not worse off than they would have been under Labour's plans. Can the Minister give some reassurances about the other benefits that pensioners receive, including free TV licences, prescriptions, eye tests, support with council tax, bus passes, the winter fuel allowance and cold weather payments? In the Budget we saw a cut in the winter fuel allowance, despite rising energy prices and two successive cold winters. Will the Minister explain how

he will account for those benefits in the new system, or say whether we will see further cuts, by stealth or otherwise?

I have a few brief questions about affordability and fairness. The Chancellor announced in his Budget that the reforms would cost no more than the current system, yet the Pensions Policy Institute estimates that a flat-rate pension at a guaranteed credit level will cost almost 1% of GDP after 13 years. That must imply that although some will be better off under the Government's plans, some will also be worse off. The Minister has spoken eloquently about the potential winners, but the distributional impacts are critical, so will he confirm who will be worse off under the new proposed system?

On fairness, the Minister has said that accrued rights will be protected. Forgive me for being a bit sceptical, but he said the same about the switch in uprating from the retail prices index to the consumer prices index. However, in this instance I will give him the benefit of the doubt. Can he guarantee that someone in their 50s who has worked all their life on average earnings and has never contracted out of the state second pension will still be entitled to a more generous state pension than someone who has not paid in? If not, does he think it fair that those contracting out and getting defined benefit pensions in retirement could receive the same state pension as their counterparts who have paid full national insurance contributions throughout their careers? If those who have paid in get more than £140, will the change really be cost-neutral? If some will get less than £140 based on lower contributions, will the Minister ensure that no one falls below the guaranteed credit level? In what way can that be called a flat-rate pension?

The Government's proposals could have serious implications for the future of defined benefit schemes, because they will end the rebate for those on DB schemes. Given the importance of occupational savings for retirement income, as the Minister said, what are his estimates of the generosity of DB schemes—and, indeed, their overall survival—given the changes? The changes in contracting-out touch on a wider point. The post-world war welfare state is based on the contributory principle. We welcome the news that any new flat-rate system will keep contributions at their core, and that anyone with 30 years' national insurance contributions will be entitled to the newly formulated pension. However, given the Chancellor's announcement that the Government intend to merge tax and national insurance, will the Minister explain how the contributory principle will work in practice if that merger takes place? Will he also give a reassurance that taxes will not go up for pensioners, who of course do not pay national insurance?

The other, less briefed elements of today's Green Paper include the automatic mechanism for increasing the state pension age to make future increases fair and smooth, with time for people to plan. The move comes too late for the 500,000 women who will have to wait a year longer before they receive their state pension and the 33,000 women who will have to wait exactly two years before receiving their state pension. Does the Minister now recognise that the accelerated timetable for the state pension age for women in their 50s does not spread the cost fairly or, with just five years' notice, leave enough time to prepare?

To conclude, the Green Paper does nothing for today's pensioners, because a flat-rate pension will be for only new pensioners. Today's pensioners are suffering at the

hands of this Government, with an increase in VAT to 20%, which sees pensioners worse off by £200 a year, low savings rates and a £100 cut in the winter fuel allowance. Although a flat-rate pension of £140 sounds good in theory, the Chancellor says that there is no new money, so who will lose out? It is quite likely to be families on average earnings, or just a bit more, who have worked hard and brought up a family, paying their full national insurance contributions. Some people will be worse off under the reforms, yet the Government want to talk about only the winners. In the final chapter of the review, the Government suggested that a crude formula could be used for uprating the state pension age. They have already hit women in their late 50s with a two-year increase in their state pension age; now they want to use a formula that pays no attention to health in later life, so we will all be waiting longer and longer to get our pensions.

We welcome the intent behind today's Green Paper. We want a more progressive and less complicated system, but I am yet to be convinced that today's Green Paper will achieve that.

Steve Webb: I did write the hon. Lady's words down—in principle, she welcomed the Green Paper, so I am grateful for her warm comments about our proposals. She asked a number of specific questions, and I shall try to respond to them.

The hon. Lady seemed to imply that women would get £145 anyway, so wondered why we needed to do anything. That, however, is decades away. Equality between men and women in the state pension system is decades away, and we think that is too slow. Many women who did their child rearing in the '80s and '90s got no state second pension protection because it did not exist at that time. They will be retiring over the coming years and we are now bringing forward that protection for them. We do not want to wait 20 years for equality.

The hon. Lady asked an important question about passported benefits and we will need to consider the implications of these changes for those benefits. She had the cheek to suggest that the winter fuel payment had been cut in comparison with what she would have provided if she were in office. She will be well aware that we are sticking precisely to the budgets that her right hon. Friend the Member for East Ham (Stephen Timms), the former Chief Secretary to the Treasury, wrote. He will know perfectly well how much he put aside for the winter fuel payments, and we are doing exactly what he planned.

The hon. Lady asked about the Pensions Policy Institute and its estimate that a £140 flat-rate pension would cost 1% of gross domestic product. What she may have misunderstood from the report is that the question it asked was what it would cost if that amount were paid to everybody. That is where its figure came from. We are saying that we will create this for new pensioners, because new pensioners face a new world in which they will work longer, retire later and have fewer final salary pension schemes, so we need a system that is fit for them.

The hon. Lady sought reassurance on two points and the answer is yes to both of them. We will honour past service and we will make an adjustment, as I said in my statement, for contracted-out periods.

The hon. Lady asked about the future of final salary pension schemes after 13 years of decline under Labour. She will be pleased to know that the National Association

of Pension Funds—the trade body for company pensions—welcomes these reforms and supports them, but we are in dialogue with those operating large final salary pension schemes to discuss how these changes will impact on them and how we can work with them to move towards the sort of simpler scheme that they and we want to see.

The hon. Lady asked about merging what the Chancellor referred to as the operation of the tax and national insurance system, which is certainly at an exploratory stage, but he has made it clear that pensions will be protected under these changes and that the contributory principle will remain.

Finally, the hon. Lady asked about the mechanism for raising the state pension age. She referred to a crude formula, but there are options in the Green Paper. One is to have an automatic mechanism for raising the pension age as longevity increases; the other is to adopt a more nuanced approach to take account of a range of factors. We would welcome feedback on that.

Overall, I think the hon. Lady welcomed our proposals, particularly the fact that they will benefit women and self-employed people and will lead to a fairer system. She said that she wanted to see a fairer system; in office, the Labour Government never delivered one, but through this Green Paper, we will.

Mr Oliver Heald (North East Hertfordshire) (Con): In welcoming the statement and the Green Paper, I congratulate the Minister on achieving a long-held ambition in the pensions world of creating much more certainty and transparency about the state pension system so as to encourage saving in the longer term, as well as on helping the more vulnerable groups he mentioned, such as women, who will get help that much earlier. Will he say more about the time scale? He talked about the long distance we still have to go before achieving justice for women, so what improvement will these changes bring and what is the Minister's time scale?

Steve Webb: I am grateful to my hon. Friend, who brings his great knowledge of these issues to the House and to the Select Committee of which he is a member. As he says, we need a simpler system. He will appreciate that these things take time; we will need to consult and then respond. In due course, we hope to legislate to re-programme the computers and so forth. As the Chancellor said, we are talking about some years to implement the reforms, but we are clearly keen to move forward as fast as we possibly can.

Dame Anne Begg (Aberdeen South) (Lab): I was listening hard to the Minister's reply to the shadow Minister, my hon. Friend the Member for Leeds West (Rachel Reeves), and I noticed that he provided no examples, in response to her request, of those who would be worse off as a result of these changes. There must be some losers. Presumably, they will include the group who enjoy pension credit now, but have not paid enough contributions to justify the new flat-rate pension. What will happen to that group? As for women, surely if they have not made the contributions, they will not be any better off than they are now.

Steve Webb: I am grateful to the Select Committee Chair for her questions. To be clear on the role of pension credit, we envisage that there will have to be a

[Steve Webb]

safety net under any system, and the Green Paper provides for consultation about what exactly that might look like. There will still be a guaranteed credit type system—a floor below which people cannot fall. In a single-tier pension world, the savings credit would no longer be necessary for new pensioners. In other words, the savings credit was invented by the previous Government to deal with the fact that 100% marginal tax rates were paid on any saving. Because we are not doing that any more, we will not need the savings credit for new pensioners, which helps to pay for the reform. It is less means-testing, more universal pension.

The hon. Lady rightly mentions the position of women and my point is that women under the current system, who often did their child rearing before the state second pension was introduced, have no protection at all, whereas they have basic pension protection. Under a single-tier world, they get protection at the full rate, so they will benefit from the reforms we are introducing.

Simon Hughes (Bermondsey and Old Southwark) (LD): My hon. Friend the Pensions Minister has not only this very month introduced the link between pensions and earnings, for which pensioners have been calling for years, but now makes a clear bid to be the most popular Pensions Minister for decades, in announcing the option of the citizens pension for which he and I have campaigned for ever. It is clearly fairer, simpler and particularly helpful to women and the self-employed. I urge my hon. Friend to be as bold and reforming as he suggests option 2 would allow. I urge him to go fully through the consultation process, but when midsummer's day arrives—the last day of the consultation—I urge him to go for the single tier state pension so that this Government's legacy for pensioners will be as radical in this century as the legacy of Lloyd George and Beveridge was for pensioners in the last.

Steve Webb: My right hon. Friend puts me on the spot, but I am glad to respond positively. I have noted his comments down as being the first response to my consultation, making it 1-0 for the single-tier option—I will keep score as we go. He is right that the restoration of the earnings link after 30 years of breaking it is an historic event, although it has been rather overshadowed by other events in the world. We think someone retiring this year will, over the years, get an extra £15,000 in basic state pension through the restoration of the link. That is a real firm foundation for today's pensioners as well as reform for tomorrow's. I am grateful to my right hon. Friend in respect of the liberal heritage and to my right hon. Friends the Secretary of State and the Chancellor for their encouragement for the proposal to move forward.

Malcolm Wicks (Croydon North) (Lab): It is humbling to follow a question from a "for ever" Member of Parliament.

May I ask about the mechanism for determining future changes to state pension age? Could this mechanism please allow for occupational and social class differences in terms of life expectancy? If we look at men who work in what are called routine occupations, such as van drivers, cleaners and labourers, we see that almost a fifth of them—19%, I believe—die before they receive

the state pension at 65. If we keep raising the state pension age without allowing for those people who have been working since they were 15 or 16, we will certainly bring insensitivity into the system.

Steve Webb: I am grateful to the right hon. Gentleman, who brings great knowledge of these issues to the House. He raises a vital point. Although it is true that life expectancy across the social classes has been improving, which is entirely to be welcomed, there are still very significant differences. One suggested option in the Green Paper is that the review mechanism should take account of a wide range of factors of the very sort that he mentioned. It is possible to have a too formulaic or automatic approach, but the right hon. Gentleman will have noted that the Chancellor referred in the Budget to a "more automatic" approach, taking systematic account of increases in life expectancy, but potentially of other factors such as those that he mentioned.

Harriett Baldwin (West Worcestershire) (Con): In welcoming the Green Paper and particularly the emphasis it places on removing means-testing as a deterrent to saving, will the Minister confirm how he intends to treat caring responsibilities and their role in contributing towards the build-up of a pension?

Steve Webb: I am grateful to my hon. Friend and I know of the expertise she brings to the Select Committee on these issues. We propose that bringing up the next generation or caring for an elderly relative will be valued by society just as much as a high-paid job. A year will be a year will be a year. If someone is contributing to society in that way or in paid work or in other ways, it will bring them one thirtieth of a single state pension. We think that is a big step in the right direction, which will be widely welcomed around the House.

Mr Nigel Dodds (Belfast North) (DUP): We welcome the Green Paper and the consultation that will ensue. We agree that moving away from means-testing and complexity towards a universal flat-rate pension is greatly to be welcomed. The Minister says that this will not entail spending any more money. Given that so many pensioners today do not claim all the means-tested benefits to which they are entitled—this is a big factor in these reforms and should again be welcomed—does it not mean that more money will need to be spent to make up for the fact that people do not claim? If so, will the Minister guarantee that that money will be provided?

Steve Webb: The right hon. Gentleman has made an important point, namely that under the current system many people are entitled to top-ups and do not claim them, whereas pretty much everyone claims the state pension. The new system will guarantee that a great many people will live clear of the poverty line for the first time. As the right hon. Gentleman says, a price tag is attached, and we have factored that into our costings. Although the prospective state pensions of the very highest earners will be lower than they would otherwise have been, many lower earners and people who would not otherwise have taken up their entitlement to pension credit will be in a better position, and we consider that to be a fairer system overall.

Jacob Rees-Mogg (North East Somerset) (Con): What the Minister has announced will be enormously welcome in my constituency. I know from correspondence with my constituents that they will be particularly interested in the raising of the state pension age, because they want a degree of certainty about when they can expect to retire. I urge the Minister to provide that certainty as rapidly as possible.

Steve Webb: As my hon. Friend says, people want certainty about the future. We have said that we must move rapidly in respect of those reaching the age of 66. However, the new mechanism is designed not just to make changes more automatic, but to provide notice periods. Young people will not have that certainty, because life expectancy is always changing, but as people approach the state pension age, we want to be able to give them more certainty. That is part of our plans.

Mr Frank Field (Birkenhead) (Lab): It is difficult to think of any statement that could be more important than one that commits a Government to paying a state pension above means-tested assistance level. The importance of this statement—which I welcome—stems from the fact that the income of many pensioners is below that level. Even if we take into account those who do not claim means-tested help, a large price tag will be attached to this reform. Will the Minister consider the contribution made by taxpayers through pension tax relief, which favours the wealthy over those who earn least, as one way of financing it?

Steve Webb: I thank the right hon. Gentleman for his welcome for the proposed system. It will be financed on a cost-neutral basis within the system: we will spend less money on means-testing and, for instance, savings credit, we will withdraw some of the very small payments that we currently make to people who do not even live in this country, and we will remove some of the highest accruals for the highest earners. We therefore do not need to involve tax relief. As the right hon. Gentleman will know, the Government have refined the previous Government's plans, so tax relief will be less concentrated on the highest earners, but we have no further plans to change tax relief.

Paul Uppal (Wolverhampton South West) (Con): It is always an honour to follow the right hon. Member for Birkenhead (Mr Field), who invariably speaks a great deal of common sense on these issues.

I thank the Minister for publishing the Green Paper, which, along with the introduction of universal credit, constitutes a seminal reform. We in the Government parties are sending the message that it always pays to work and it always pays to save. We are taking radical steps in regard to the choices that we give pensioners on annuities; may I ask the Minister to continue that work? After all, we are talking about the individual savings of pensioners who have worked all their lives.

Steve Webb: My hon. Friend is absolutely right. There is a clear link between the major reforms that the Department is introducing for people of working age and those that it is introducing for those who will reach pension age in the future. "It pays to work" and "it pays to save" must be the right combination.

My hon. Friend asked about pensioners' savings. In a world in which we will enrol people in workplace savings, we need them to be confident that they will be better off when they save, and that is one of the specific purposes of the reforms. If my hon. Friend wishes to raise any further points, I will certainly respond to them.

Glenda Jackson (Hampstead and Kilburn) (Lab): Given that the introduction of a single-tier pension will be available only to new pensioners, will the safety nets to which the Minister referred in his answer to my hon. Friend the Member for Aberdeen South (Dame Anne Begg) include all the existing passported benefits, and will claimants still have to go through a means-tested system in order to obtain them?

Steve Webb: We are not changing the system for current pensioners at all. It will continue as previously budgeted. As for new pensioners, we need to think what paying a pension above the guarantee credit implies for passported benefits, and what sort of system we need. I should be interested to hear people's ideas, because the issue is important. Hitherto, we have simply assumed that pension credit means poverty and that we must therefore make all the extra payments. We may need a more sophisticated system now, but the role of passported benefits is important, and I am grateful to the hon. Lady for raising it.

Mark Durkan (Foyle) (SDLP): I thank the Minister for his statement and for providing us with the rationale behind it. As he will know, people will want to establish whether the single tier really does offer the platform for fairness and adequacy that he has described. They will want clarity and confidence.

The Minister mentioned the need for people to save money for their pensions. What consideration have he and Treasury Ministers given to their ability to afford that, given the hits that they are taking as a result of the withdrawal of some child benefit, the entry of more people into the 40% tax bracket, and the huge challenge posed by tuition fees?

Steve Webb: The hon. Gentleman has raised an important point about people's ability to afford to save. One of the key aspects of automatic enrolment is the fact that an employee's contribution will trigger an employer contribution of nearly as much, plus tax relief. If an employee contributes 4% of his salary, the employer's contribution will raise that to 8%, so this is a very affordable form of saving. Of course we want to ensure that people who make such sacrifices in order to save will be better off as a result, and our reforms will make that outcome far more likely than it is at present.

Hywel Williams (Arfon) (PC): Plaid Cymru has long campaigned for a living pension, and we welcome the Government's single tier proposals. The current system does not ensure an adequate income for all pensioners. As Jackie Ashley wrote in today's *Guardian*,

"On this issue of complexity Labour in power got it wrong, and should admit it."

However, does the Minister accept that on the accelerated equalisation of state pension age, the Government are

[Hywel Williams]

in some danger of getting it badly wrong for about half a million women in their late 50s? What assurances can he give about that?

Steve Webb: I am grateful to the hon. Gentleman for expressing support for the proposal of the single tier on behalf of the Welsh nationalists. As for the issue of state pension ages, the Green Paper involves moves beyond the pension age of 66. The issue raised by the hon. Gentleman will be dealt with in the Pensions Bill, which will be presented to this House shortly, but, beyond that, we are trying to establish a more automatic mechanism that takes account of changes in life expectancy and, perhaps, of other factors as well, such as notice periods—which is, I think, the issue that he has raised—in a more systematic way than we or other Governments have done so far.

Jim Shannon (Strangford) (DUP): There is some good stuff in what the Minister has said, but every week my office—and, probably, the office of every other Member of Parliament in the United Kingdom—receives queries about small works pensions. Although they amount to a pittance, they remove people's eligibility for benefits. Will the Minister assure us that such people will not be disadvantaged?

Steve Webb: The hon. Gentleman is absolutely right. A small occupational pension can make the difference between living in poverty and living with a bit of dignity. Hitherto, given the low state pension of £97 a week, the first £35 or so of company pension has tended to offset £35 of guarantee credit, so people have been no better off. Then the savings credit has come along and given them a bit back, and it is all fiendishly complicated. The beauty of the single tier is that people are above the guarantee credit level from pound one, so the works pension is theirs to keep on top. There is still a housing benefit system and so on, but in principle the works pension will be worth more than it is under the current system.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): May I give the Minister a final opportunity to tell us who the losers will be from his plans for flat-rate pensions?

Steve Webb: I will have another go. We have made it clear that we are not spending more money overall, that there are significant gainers among women, the low paid and the self-employed, and that therefore, inevitably, some people who would have received higher state pensions under the current system will receive flat-rate pensions. Because the current system is earnings-related, the highest earners will tend to receive lower state pensions under this system. The Labour party used to support that sort of thing.

Points of Order

6.48 pm

Alec Shelbrooke (Elmet and Rothwell) (Con): On a point of order, Mr Deputy Speaker. I seek your advice on how the House may properly engage with the public in the referendum on the alternative vote. Many of my constituents, and many Members of Parliament, have drawn my attention to the fact that a recent publication by the Yes campaign appears to be an official document drawn up by the local electoral service. It also appears that those who apply for a postal vote may well be entitled to vote in all the elections. How can we make people understand that this is nothing to do with the electoral service, and that they must apply for a different postal vote if they want to vote in the local elections?

Mr Bernard Jenkin (Harwich and North Essex) (Con): Further to that point of order, Mr Deputy Speaker.

Mr Deputy Speaker (Mr Lindsay Hoyle): I was going to rule on the point of order raised by the hon. Member for Elmet and Rothwell (Alec Shelbrooke), but if the point of order from the hon. Member for Harwich and North Essex (Mr Jenkin) will help, I will take it.

Mr Jenkin: Further to that point of order, Mr Deputy Speaker. The leaflet in question uses local authority free post whether or not a person already has a postal vote, thereby adding to the costs authorities face for this referendum. How can the House engage in this matter and hold this disbursement of public money, which the Yes campaign is wasting, properly to account?

Mr Deputy Speaker: That point has already been raised in the House. It is not a procedural point on which I can rule, but I suggest that it might be taken up with the Electoral Commission.

Mr Tom Harris (Glasgow South) (Lab): On a point of order, Mr Deputy Speaker. Just over six weeks from now, East Coast trains will start operating on a new timetable. East Coast is wholly owned by the Government and many people who wish to travel will want to buy their tickets in advance in order to get the best possible fares. However, even though there are only six weeks to go until the timetable takes effect, East Coast has still not published it, so last week I tabled a named day question to the Minister of State, Department for Transport, the right hon. Member for Chipping Barnet (Mrs Villiers), asking when the timetable will be published. On Thursday, the Minister responded, saying that she will answer the question shortly. That is not an answer; that is a happy coincidence of ink patterns on a piece of paper. What is the point of named day questions if Ministers are allowed blatantly to ignore and disrespect Members and the procedures of this House?

Mr Deputy Speaker: There are quite a few points in that point of order. The first of them is, to some degree at least, a matter for the Scottish Government. I cannot rule on the second point. Instead, it will need to be taken up with the Table Office, and I am sure the Member will do so on his way out, in order to ask about the progress of the answer to that question.

Opposition Day

[14TH ALLOTTED DAY]

Government Reductions in Policing

Mr Deputy Speaker (Mr Lindsay Hoyle): I must inform the House that Mr Speaker has selected the amendment in the name of the Prime Minister.

6.51 pm

Yvette Cooper (Normanton, Pontefract and Castleford (Lab): I beg to move,

That this House notes the Association of Chief Police Officers' statement that there will be 12,000 fewer police officers because of the Government's cuts to central government funding for the police; considers that chief constables across England and Wales are being put in an impossible position by the Government's 20 per cent. cut to central government funding; notes that Her Majesty's Inspectorate of Constabulary (HMIC) said the police budget could be reduced 'at best' by 12 per cent. and that 'a cut beyond 12 per cent. would almost certainly reduce police availability'; further notes that HMIC has said that 95 per cent. of police officers do not work in back office roles; regrets that because of the Government's 20 per cent. cut frontline police officers are being lost in every region of England and in Wales; is deeply concerned by recent statements from police forces and authorities that show the level of cuts being forced upon them by the Government, amounting to 1,158 police officers in the South West, 1,428 police officers in the South East, 1,215 police officers in the East of England, 579 police officers in Wales, 783 police officers in the East Midlands, 1,573 police officers in the West Midlands, 573 in the North East, 3,175 in the North West, 1,242 in Yorkshire and the Humber and 1,200 in London; calls on the Government to think again; and rejects the cuts to frontline police officers the Government is forcing upon police forces.

We come to this debate rather later than any of us had expected, and I congratulate those Members who have managed to sit through all four statements and an urgent question in order to be present for it.

This debate offers a chance for the House to reflect on the full scale of the cuts in policing the Home Secretary agreed and announced last October, a chance for Members on both sides of the House to consider what this means for their constituents, and a chance to urge the Home Secretary to pause and think again, because if Government Ministers can do that for trees and for hospitals, then this is her moment. It is time the Government stopped to think about the damage they are doing to the nation's policing before it is too late.

Mr Tobias Ellwood (Bournemouth East) (Con): Does this debate also present the previous Administration with the chance to say sorry for the huge economic mess we were left in, which is why tough decisions are now having to be taken in policing and other areas?

Yvette Cooper: In fact, at the time of the election unemployment was falling, the economy was growing and borrowing was lower than expected, whereas nearly 12 months on we have seen borrowing come in higher than expected, unemployment continue to rise and growth stall. The hon. Gentleman should, perhaps, consider those points when he thinks about the impact these foolish decisions are having on public services.

I was contacted last week by a local beat officer from the west midlands, and I want to read out what he said about the job he did:

"When I arrived it was a run-down, deprived area frequented by pimps, prostitutes, druggies and drug dealers. By working with the community we were able to change it into an area where the residents were happy to walk the streets at all times of the day and night. Crime was reduced and the feel-good factor returned. The local community saw me every day. If I wasn't there, they would phone me. I was able to rebuild trust and confidence in the police. I was the single point of reference for them."

In 2010 I was awarded the 'coppers' copper award' by the Police Federation...this spoke of my professionalism and dedication. Now I am being forced out and will not be replaced. Residents are up in arms and have even started a petition to keep me. These people know that in a very short space of time"

their area

"will return to what it used to be and they are frightened."

I believe I am good value for money...My presence prevents crime and antisocial behaviour. It makes people feel good. I'm totally devastated to be leaving as I feel that I have a number of good years in front of me doing the job I'm good at. I took an oath in 1979 and have stuck to it. Ultimately the people who will suffer are the public."

Those are the words of one beat officer in the west midlands, who is at the sharp end. That is what it is really like on the front line of the Government's 20% cuts in policing, and there is much more such evidence from across the country.

Claire Perry (Devizes) (Con): One of the sharp-end decisions this Government have had to take is to deal with the economic legacy to which my hon. Friend the Member for Bournemouth East (Mr Ellwood) referred. Is the biggest Budget deficit in the developed world part of that golden economic legacy that the right hon. Lady believes her party left to our country and Government?

Yvette Cooper: The hon. Lady chose not to comment on the more than 100 police officers being lost from the Wiltshire force, as well as the more than 100 support jobs being lost from that force. I look forward to seeing her put that in her leaflet for the next election. As I have already pointed out, at the time of the election borrowing was, in fact, lower than expected and unemployment was falling. By cutting too far, too fast, the hon. Lady's party is going to make it harder to cut the deficit, with more people on the dole and more spent on unemployment benefit.

From Nottinghamshire, another officer writes:

"Since 2006 when I took this office road casualties have fallen by 33%...that's saved over £90 million in costs...I haven't achieved this by myself for sure but we've contributed massively to that effort and now they want to get rid of me."

Hampshire police have been forced to cut their domestic violence units. In Lancashire, they are reducing air-support cover. In Dorset, they are cutting traffic policing by 33%. In north Wales, they have cut back on the handlers and sniffer dogs for explosives. In the west midlands, neighbourhood policing teams are being lost.

Stephen Barclay (North East Cambridgeshire) (Con)
rose—

Yvette Cooper: I will give way to the hon. Gentleman if he wants to comment on the policing cuts in his area.

Stephen Barclay: I thank the right hon. Lady for giving way. Under the 12% cuts she proposes, what does she consider to be the right ratio between the numbers of senior management staff and bobbies on the beat, whose comments she is quoting in her speech? Cambridgeshire police has a sergeant for every four constables, an inspector for every three sergeants, and a chief inspector or officer of more senior grade for every one-and-a-half inspectors. Does she consider that to be the right ratio between the number of senior police figures and those on the beat?

Yvette Cooper: Of course we want to see more police officers out on the beat, and, in fact, that was the consequence of the policies of the Labour Government over many years. We also believe it is right for forces to do everything they can to improve their efficiency and to make sure they are supporting officers. However, in force after force and area after area we are seeing police officers, not just police staff, being lost: 12,500 officers to go. These are not our figures; they are figures from the Association of Chief Police Officers and individual police forces and police authorities across the country. There will be 12,500 fewer officers and 15,000 fewer support staff. That is the equivalent of the combined police strength of Yorkshire and Humberside, or the equivalent of the forces of Durham, Cumbria, North Yorkshire, Lincolnshire, Northamptonshire, Nottinghamshire, Surrey and Dorset combined.

Claire Perry rose—

Yvette Cooper: I will give way to the hon. Lady if she thinks it is really possible to make cuts of that scale to police forces and still have no impact on the front-line services that communities across the country receive.

Claire Perry: I am most grateful to the right hon. Lady for her generosity in giving way for a second time. I am very interested in the statistics she is quoting, and I ask her for the source of the data she just gave suggesting that 100 officers were going in Wiltshire, because I have very frequent conversations with the chief constable of Wiltshire, and that is not a number that either he or I would recognise. Please can she tell us the source of the data?

Yvette Cooper: All the figures we have seen and released have come either from chief constables, police forces or police authorities. That is also where the figures of 12,500 fewer officers and 15,000 fewer support staff have come from. I know that Ministers have repeatedly refused to acknowledge those figures, but I hope they will take the opportunity of today's debate to admit that police officer posts are being cut across the country. That is what happens when you cut too far, too fast. Of course the police can make efficiency savings; they should strive to do more and do better, and should make savings in procurement, on overtime and by changing the way they do things. That does mean cuts to their budgets, but by forcing cuts of 20%, with the steepest cuts occurring in the first two years so that there is no time to adjust and plan, the Government have lost any sense of balance and any grip on the reality of what such cuts will mean for communities across the country.

The Secretary of State for the Home Department (Mrs Theresa May): The right hon. Lady is making a lot out of the issue of police numbers. What would she say to Chief Constable Peter Fahy from Greater Manchester, who in January said to the Home Affairs Committee:

"The other issue has been political—if I can say it—almost an obsession with the number of police officers, which meant that we've kept that number artificially high. We have had lots of police officers doing administrative posts just to hit that number."

Yvette Cooper: As the Home Secretary will know, chief constables have been put in an impossible position. They are rightly trying to do everything they can to deliver strong policing within the budgets they have been given and to reassure the communities for which they have to provide services, but the rug is being pulled from underneath them. If the Home Secretary now believes that police numbers are artificially too high and higher than they ought to be, she is the first Conservative Home Secretary in history to say that the problem with the police force is that police numbers are too high.

The right hon. Lady referred to chief constables. Chief Constable Steve Finnigan of the Lancashire constabulary, who is the ACPO lead on police performance management, was asked whether he would have to reduce front-line policing in order to meet the Government's budget cuts. He replied: "I absolutely am." He has also said:

"Let me be really clear. With the scale of the cuts that we are experiencing...we can do an awful lot of work around the back office...but we cannot leave the front line untouched."

That is because of the scale of the cuts and it is what chief constables are saying across the country.

Mark Tami (Alyn and Deeside) (Lab): Is my right hon. Friend not amazed that at a time when we are cutting front-line policing, the Government intend to spend more than £40 million electing police commissioners that nobody wants? The Government have failed to put forward an argument as to why they are required.

Yvette Cooper: My hon. Friend makes an important point, because that money could be spent on keeping some of the 2,000 police officers who have been told that they will be forced to take early retirement as a result of the scale of the cuts. Electing 43 police and crime commissioners seems to be the only crime policy that the Government have. They are electing 43 new politicians in place of the thousands of police officers across the country who are to go.

Angela Smith (Penistone and Stocksbridge) (Lab): Meredydd Hughes, the chief constable of South Yorkshire, has said that Government expectations of improving performance were

"challenging if not unrealistic in the longer term."

Does that not demonstrate beyond doubt that the service will be damaged between now and 2015?

Yvette Cooper: My hon. Friend is right to mention the concerns of the chief constable of South Yorkshire. He is reported as having recently raised concerns about what would happen to crime in many areas as a result of the scale of the cuts in the Government's plans. The cuts go way beyond the 12% that Her Majesty's inspectorate of constabulary said could be made through genuine

efficiency savings over several years, and they go way beyond the 12% cuts that the previous Labour Home Secretary identified and promised to implement over a Parliament—they are more than 15% in real terms in the first two years alone. The Government are cutting more in the first two years than Labour proposed to cut over a Parliament.

Mr Oliver Heald (North East Hertfordshire) (Con): Does the right hon. Lady not feel any need to apologise for the state in which Labour left this country? We had the worst deficit in the G20—worse than Ireland and Greece. We are now trying to do something about it, but she criticises every saving. What is the matter with Labour? Do Labour Members not understand that everybody and every economic organisation across the world is saying that we need a deficit reduction package and that what she is saying is nonsense?

Yvette Cooper: Government Members have obviously been primed by the Whips today to join the debate but not make any points about policing. They are obviously afraid to discuss the consequences of the cuts for policing and crime in communities across the country, and they are starting to sound like a stuck record. They are cutting too far, too fast, and it is having serious consequences for our economy, the level of unemployment, and police forces. They are going too far, too fast, and communities will pay the price.

The charge against the Home Secretary, as she sits in the dock aided and abetted by the Minister for Policing and Criminal Justice, is serious. She is the first Conservative Home Secretary in history to champion cuts to the police as a way to cut crime. What is her defence? First, she tried to claim that she was not at the scene of the crime, and that it was the Chancellor who cut her budget and not her. She then tried to claim that no crime had been committed, saying

"lower budgets do not automatically have to mean lower police numbers."

Faced with the incriminating evidence of 12,500 fewer police, she changed her story:

"We have been absolutely clear about the need for forces to ensure that the cuts are made to the back office, procurement, IT provision and so forth."—[*Official Report*, 6 December 2010; Vol. 520, c. 19.]

Her accomplice, meanwhile, said that savings could all come from the back office and the newly defined "middle office".

The expert witnesses from HMIC have blown that defence away. Instead of proving that cuts could all be made from the back office, they showed that 95% of police officers do not work in the back office. Instead of identifying a wasteful middle office, they said that that office carried out 60% of intelligence support, included the CID specialist crime units, and worked on tackling hate crime, vice, drugs and burglary. Even the Conservative councillor who chairs the Norfolk police authority has switched sides to give evidence for the prosecution. He stated:

"I have to fundamentally disagree with the Minister's assertion that we can find further efficiencies in the so-called 'back office'...you can't take £24.5 million out of our annual spend and still deliver the policing service to the same current standards."

Mr Chuka Umunna (Streatham) (Lab): In my local area, the police tell me that their back office is already cut to the bone. We are reaching a point—[*Interruption.*] That is what I have been told. Government Members may laugh, but that is what police officers have told me. We now have the ridiculous situation of front-line police officers taking time to do things such as empty the bins in a police station in my constituency. That was done by the back office, but it is no longer a back-office function as the back office is not there. The police are spending time emptying bins rather than being on the street fighting crime. How on earth is that justifiable?

Yvette Cooper: That is a hugely important point, because the scale of the cuts to the back office is having an impact on the front line. The sheer scale and pace of the cuts that hon. Members are making and supporting are having an impact. Making the police implement those cuts so fast makes it hard for them to plan, make reforms and change services. Instead, they are having to make deep cuts that hit services as well.

Mr David Hanson (Delyn) (Lab): Does my right hon. Friend recall that last year, when I was the Minister for Policing, Crime and Counter-Terrorism, we proposed £1.5 billion-worth of cuts and the then Conservative Opposition did not vote against those cuts or propose the extra £1 billion that they are now taking out, and the Liberal Democrats asked for 3,000 more police officers on the beat? Will my right hon. Friend update us on where we are on that promise?

Yvette Cooper: My right hon. Friend is right. We had identified a series of areas where savings could be made while still protecting front-line services. It is true, as the lonely Liberal Democrat on the Benches today will concede, that the Liberal Democrats had called for 3,000 more police officers, rather than voting to cut 12,500 police officers in constituencies across the country.

The Home Secretary has tried a final line of defence. She hopes that the Merseyside force will come to her rescue as a character witness. She claims that if every force improved its visibility as well as Merseyside has done, more officers would be available. We agree that forces should increase their visibility, as many started to do when we introduced neighbourhood policing, and that they should learn from the best. But Merseyside's testimony does not help the Home Secretary's case, because it is losing more than 800 police officers, along with an estimated 1,000 staff. Its evidence shows that, despite its good work, it is already being forced to make cuts in front-line services, including to officers in visible jobs, who are already losing their jobs, and it is also cutting the antisocial behaviour task force.

Mr Jim Cunningham (Coventry South) (Lab): I thank my right hon. Friend for giving way, and I apologise for being a little late arriving for the debate. Is she aware that the second phase of redundancies in the West Midlands police force will cost an extra £10 million a year over the next two to three years?

Yvette Cooper: I was not aware of the further plans in the West Midlands police force. It is certainly true that many of the cuts in police numbers cover only the first year or two, and many forces are concerned about the consequences in future years as well.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): My right hon. Friend will know that Merseyside police force made the biggest efficiency savings in the country before it received its grant settlement. That means that 800 police officers and 1,200 police support staff will now not be employed, and we are still waiting to find out how many police community support officers will lose their jobs. Is she as worried as I am that police officers in domestic violence units, undercover police units, child protection units and race hate crime units are no longer to be considered front-line police?

Yvette Cooper: My hon. Friend makes an important point. She will know from her constituency the impact that the cuts are having on communities across Merseyside. While Merseyside has certainly done excellent work in getting as many police on the beat as possible and in ensuring that its officers are as available as possible, as well as making very substantial efficiency savings, it is now being penalised. Its services are being hit, and it is the local communities in Merseyside that are paying the price. The truth is that the Home Secretary is making visibility more difficult to achieve in Merseyside, not easier.

It is the same story in Warwickshire, where the force is having to take police officers off the front line to cover critical support jobs that have gone, and South Yorkshire's chief constable has said:

"A reduction in back officer support will put an increased burden on operational officers, detracting them from frontline duties."

HMIC said in July last year that

"a cut beyond 12 per cent would almost certainly reduce police availability".

Michael Ellis (Northampton North) (Con): Does the right hon. Lady accept that HMIC also said last year, in a report commissioned by her Government, that only 11% of police officers were available to the general public at any one time? Does she not accept that there are efficiencies that can properly be made, and that this Government are cutting forms and bureaucracy that have taken up hundreds of thousands of hours of police time? Those are the kind of efficiency savings that can be made.

Yvette Cooper: We have always said that efficiency savings can be made. That is why we set out 12% reductions, but HMIC said that

"a cut beyond 12 per cent would almost certainly reduce police availability".

The hon. Gentleman also cited the HMIC figure on visibility, but he is misusing the figures. In fact, HMIC said in its most recent report that it is right that forces should try to increase visibility, but pointed out that policing is a 24/7 service. The report stated:

"HMIC estimate that between five and six officers are needed in order to provide one on duty 24/7... This suggests that, overall, the police are operating at the upper end of the efficiency range."

That is not my conclusion, but that of the independent HMIC.

Chief constables are being put in an impossible position. They are doing their best within their budgets to deliver strong policing and to reassure the public, but the rug is being pulled out from underneath them. Whichever way we look at it, the evidence from the police and the

expert witnesses is clear. The sheer scale and pace of the cuts mean that front-line services, and not just front-line numbers, are being hit. The Home Secretary and her co-defendants can change their story as much as they like, but every claim collapses under interrogation. The evidence from the police and the expert witnesses is damning, and the mood among the jury, as Lord Ashcroft's polling proves, is already hostile, even though the cuts have barely started to bite. It is little wonder that the Ministers are backing softer sentencing; they know that they are going to be found guilty as charged.

Whatever Ministers say at the Dispatch Box, in their offices and in the TV studios, they are a long way from the reality in the police stations and out on the beat. They are out of touch. They think that if they talk fast enough and loudly enough in management-speak about efficiency, bureaucracy, visibility, availability, back office, middle office and even Middle Earth, it will somehow make the real cuts go away, but it will not. This is all a far cry from their pre-election promises. The Prime Minister promised that the front line would be protected. The Lib Dems wanted 3,000 more officers, not 12,000 fewer. Even the Policing Minister told his local paper, just a year before the election:

"I will continue to press for more PCSOs and police officers".
So much for that, then.

As for Ministers' claims that there would be no link between the cuts in police numbers and crime, influential members of their own coalition see things rather differently. Before the election, the right hon. Member for Sheffield, Hallam (Mr Clegg) said that

"putting 2,700 more police on the beat in England and Wales will lead to 27,500 more arrests and an extra 24,500 crimes being solved."

I am not sure that I would sign up to his level of precision, but he made his point. And one prominent Tory Front Bencher said the following:

"The case can certainly be made that the increase in police officers in the last few years has had a positive effect both on providing reassurance to the public and on reducing some crimes... I am making an argument in favour of an increase in police numbers".—[*Official Report*, 3 May 2007; Vol. 459, c. 1671-73.]

Who said that, in this House? The current Minister for Policing and Criminal Justice.

Let us listen to the concerns from the top police. The South Yorkshire chief constable has warned of the impact of higher unemployment, shorter sentences, cuts in probation and cuts in police on increasing crime. The Kent chief constable has said that a 20% cut was

"quite a significant drawback into police numbers, both civilian staff and police numbers, and clearly there's a potential impact that crime will rise."

Mark Reckless (Rochester and Strood) (Con): I am a member of the Kent police authority, and the chief constable of Kent has also said that he sees this as an opportunity to deliver a more efficient and effective force. He is increasing the number of neighbourhood officers by more than 75%.

Yvette Cooper: I welcome anything that the Kent chief constable is able to do to support neighbourhood policing, but the hon. Gentleman will know that Kent police are having to lose more than 500 officers and about 1,000 support staff. That means that they will be under pressure in a number of different areas.

What on earth has happened to the Conservative party? The traditional party of policing and crime is throwing it all away. They have left the Liberal Democrats in charge of policing powers and sentencing policy, and they have left the management consultants in charge of the police. They are taking serious risks with crime and communities as a result. Over the 13 years of a Labour Government, crime fell by more than 40%, but most of us think that it is still too high. We want it to come down further. But instead of building on our progress, the Government are putting it at risk.

The Government's amendment today

"welcomes the Government's comprehensive proposals to cut crime",

but what are those proposals? In 13 years of falling crime, Labour increased the number of police officers and got more of them on to the front line, increased the powers of the police through ASBOs and other measures, increased the use of CCTV and DNA, increased crime prevention through youth services and intensive family support, strengthened sentencing and, yes, sent more people to prison. What are *this* Government doing? They are making cuts in the number of police officers and cuts in the number on the front line. They are cutting the powers of the police and ending ASBOs. They are cutting the use of CCTV and DNA. They are cutting prevention, youth services and specialist family support. They are cutting sentencing, cutting prison places and cutting probation, all at the same time. They are increasing unemployment and child poverty, too. Those do not sound like crime-cutting proposals to me.

The Government are whipping up a perfect storm. None of us knows when it will blow, but they should think again before it is too late. Let me say this to them: they used to be the party of law and order once. Not now.

7.18 pm

The Secretary of State for the Home Department (Mrs Theresa May): I beg to move an amendment, to leave out from "House" to the end of the Question and add:

"welcomes the Government's comprehensive proposals to cut crime and increase the democratic accountability of policing while dealing with the largest peacetime deficit in history; supports the Government's determination to help the police make savings to protect frontline services; congratulates the police forces that are increasing the number of officers visible and available to the public; notes that the Opposition's spending plans require reductions in police spending; and regrets its refusal to support sensible savings or to set out an alternative."

I want to start by saying that in this country we have the finest police in the world. The tragic events in Omagh at the weekend have yet again shown the bravery of police officers serving in all parts of the United Kingdom. They put their lives on the line day in, day out, and I am sure that the whole House will join with me in paying tribute to the courage, dedication and commitment of all our police officers.

I am delighted that we are having this debate today. Of course, the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper) wanted to hold it last time there was an Opposition day, but she was overruled by the shadow Chancellor—not for the first time, I understand. From looking at the text of the Opposition motion and listening to the right hon. Lady's

speech, one might think that they had not planned to make any cuts to policing budgets, but in fact Labour's overall spending plans involved £14 billion of cuts to Government spending this year, including cuts to the policing budget. The Opposition just will not tell Parliament, the police or the public how they would make them.

Mr Hanson: May I confirm that when I was police Minister last year we planned cuts of £1.5 billion? The difference is that her Government are implementing cuts of £2.5 billion and are front-loading them over the first two years.

Mrs May: I gently suggest that if the right hon. Gentleman is going to make an intervention it might help if he gets his facts right. He has the wrong figures. Indeed, I notice a difference between him and the shadow Home Secretary, who said she would make 12% cuts. The right hon. Gentleman talks about cuts of £1.5 billion—more like 15% or 16%. What we have done and what the Opposition have singularly failed to do is set out a detailed and comprehensive plan to free the police, give accountability back to the people, bring in real reforms and make real savings.

We struck a tough but fair settlement for the police in the spending review. Let us look at the figures. In real terms, the average reduction in central Government funding for the police will be about 5.5% a year, but given that police pay constitutes 80% of all police revenue spending and the likelihood that police pay will be frozen for two years along with that of the rest of the public sector, the reductions in police force budgets will be less severe than the real-terms figures imply.

In cash terms, the average reduction for forces' grants will be 4% in the first year, 5% in the second, 2% in the third and 1% in the fourth. Again, that does not include the local council tax contribution, which on average makes up a quarter of all police funding. In fact, if we assume that the council tax precept rises in line with the Office for Budget Responsibility's expectations, in cash terms the police face an average cut of 6% over four years. Those figures show that the reductions are challenging but achievable.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): Is the Home Secretary urging police authorities to increase council tax for policing?

Mrs May: No. I was merely pointing out the fact that the Opposition appear to keep forgetting, which is that police forces have two sources of funding: from central Government and from the precept.

I am absolutely clear that such savings will be achieved only if we reform and modernise our police service, which Labour consistently dodged and ducked during its time in office. We should be absolutely clear that, as the right hon. Member for Normanton, Pontefract and Castleford has admitted today, Labour would not have protected police budgets but would have had to make the same savings as we are.

During the last general election campaign, the Labour Home Secretary was asked whether he could guarantee that police numbers would not fall under a Labour

[Mrs May]

Government and his answer was no. Now, the right hon. Lady claims she would be able to protect police numbers. Despite Labour's denials, we know the truth—they would have made cuts to the police budget, just as we are.

Mr Ellwood: A theme is developing. A call is made for an Opposition day debate on one of the great offices of state and Labour Members come to the House, demanding that difficult decisions are overturned while completely forgetting why we must make those difficult decisions in the first place—[*Interruption.*] Aside from the cuts, one big issue that affected the police in Dorset was the amount of red tape, which meant that officers were spending only 14% of their time on the beat. Is that right? Can we not change it?

Mrs May: My hon. Friend makes two extremely important points. First, judging by the replies from the shadow Home Secretary to a number of interventions from my hon. Friends—as well as the noise just made by Labour Members from a sedentary position—all those on the Labour Benches fail to recognise the state in which they left this country's economy, with the biggest deficit in our peacetime history. By the necessary measures we have taken to cut public spending, we have taken this country's economy out of the danger zone. My hon. Friend also makes an important point about bureaucracy. Central to our reforms is the need to get central Government out of the way and to start trusting the police again.

Yvette Cooper: The Home Secretary claimed that our plans would have been the same as hers. By what maths does she make 12% over a Parliament the same as 15% in the first two years and 20% over a Parliament, which is what she is doing?

Mrs May: The right hon. Lady is absolutely clear that if Labour had been in government, it would have made cuts. We are making cuts. My point was very simple: she is claiming today that it would have been possible for a Labour Government to have protected police numbers. It would not have been possible, as the last Labour Home Secretary admitted during the election campaign. The right hon. Lady must consider that very carefully.

The one thing that the previous Labour Government failed to do was to address the bureaucracy that ties up our police officers in filling in forms rather than doing the job that they want to do and that the public want them to do out on the streets. Indeed, the former president of the Police Federation and the previous Government's own police bureaucracy fighter, Jan Berry, said that as a result of their

"diktats the service has been reduced to a bureaucratic, target-chasing, points-obsessed arm of Whitehall".

We have done away with the diktats, we have scrapped the central targets, and we are ripping up the red tape. Instead, we are putting our trust back in the police and we are making them accountable to the people who really matter—the public.

Angela Smith: On Friday, my constituent—a very senior officer in West Yorkshire police—came to see me at my surgery and asked me to put on the record in this debate his deeply rooted view that the Government's police spending cuts will damage the service. What does the Home Secretary have to say to my constituent?

Mrs May: I would suggest that the hon. Lady says two things to her constituent. First, she should make it clear why the Government are having to make cuts in public spending—they are a result of the decisions taken by the previous Labour Government. Secondly, she should also make clear the commitment that Chief Constable Sir Norman Bettison has given to what he calls the central drivers of the way in which West Yorkshire police will deal with the budget changes. He states that the first is that

"local policing will not suffer, the sort of policing you see when you open your curtains and the emergency response of the police at the times when people are feeling vulnerable, under threat or have suffered some criminal act or tragedy."

On bureaucracy, we have scrapped the so-called policing pledge and done away with the last remaining national targets and we have replaced them with a single objective: to cut crime. We are scrapping the stop-and-account form, cutting the reporting requirements for stop and search, and restoring discretion over certain charging decisions to the police, and that is just the start.

David Wright (Telford) (Lab): The right hon. Lady is obviously in touch with front-line police officers and they obviously correspond with her. How many front-line police officers have written to her or spoken to her to ask for the introduction of a police commissioner in their area?

Mrs May: I shall tell the hon. Gentleman what front-line police officers are saying to me. When I visited the Nottinghamshire police force, I saw a police officer who said to me proudly that he had been out and had made an arrest that morning and that he had had to come back and spend several hours filling in forms when, to use his words, what he wanted to do was to get back out on the streets again.

Keith Vaz (Leicester East) (Lab): The Home Secretary is continuing the work started by the previous Government on bureaucracy, but this Government have a more ambitious plan to change the landscape of policing. Does she not accept that the abolition of bodies such as the National Policing Improvement Agency will result in a greater cost to local police authorities and the new commissioners? They will now have to pay for things, such as the databases, that they used to get for free.

Mrs May: Yes, we are getting rid of the NPJA and we are considering a number of the functions that it carries out as well as where they should best and most appropriately sit and we will make an announcement in due course. Of course, the overall cost to the public purse of such things is not likely to change much because the functions undertaken by the NPJA have been funded by the public purse. But there will be a question over the extent to which some of those functions are appropriately carried on at the centre or whether they are carried out elsewhere, potentially more efficiently and with an improved service as a result of moving them elsewhere.

Jack Dromey (Birmingham, Erdington) (Lab): Will the Home Secretary give way?

Mrs May: No. I shall make some more progress.

I have made the point about the bureaucracy, but what we have done is just the start. Working with the police, we are looking at sweeping away a wide range of the red tape, bureaucracy and paperwork that get in the way of officers doing what they want to do—getting out on the streets and keeping us safe.

Yvette Cooper: What does the home Secretary say to the police and Warwickshire and South Yorkshire and the HMIC, who have all said that the scale of cuts means that police officers will be doing more bureaucracy and will be less available because of the scale of the cuts and the support staff who used to do those jobs being lost?

Mrs May: The right hon. Lady just does not get the fact that this Government are getting rid of much of the bureaucracy that has been tying up the police in red tape and taking them off the job that they want to do—something that the previous Government singularly failed to do. I would have thought that Labour supported us in our efforts to get officers out from behind their desks and back on the streets, but when one of their several former shadow Home Secretaries was asked by the Home Affairs Committee:

“Do you think it would be better if police spent more time on patrol than they do on paperwork?”, he replied:

“I think that is too simplistic a question for me to give a sensible answer.”

Perhaps the right hon. Lady would like to tell us whether she agrees with the shadow Chancellor that the police should be behind their desks, filling in forms, or does she agree with me that they should be out on the street, fighting crime?

Michael Ellis: Will my right hon. Friend note that Jan Berry, the former president of the Police Federation, wrote only recently that one third of all effort was being duplicated or in some way wasted, and therefore that considerable savings could be made by a reduction in bureaucracy? One third—engineered or duplicated.

Mrs May: My hon. Friend has made an extremely important and valid point and an excellent contribution to the debate. It is exactly that point that was stopping the police doing the job they wanted to do.

Claire Perry: Does my right hon. Friend share my incredulity on listening to those on the Opposition Benches? One would think that there had been nothing left to do in terms of improving efficiency, but is the Home Secretary aware that each of the 43 police forces buys its own uniform and its own cars separately?

Mrs May: My hon. Friend also makes an important and valid point. I will come on to such issues in a few minutes.

Jack Dromey *rose*—

Steve McCabe (Birmingham, Selly Oak) (Lab) *rose*—

Mrs May: I will make some progress before I give way to any other interventions.

Our reforms are also based on the premise that the police must be accountable not to civil servants in Whitehall, but to the communities that they serve. Last Thursday, the Police Reform and Social Responsibility Bill completed its passage through the House. It is our hope that it will complete its passage through the Lords and receive Royal Assent in time for elections for police and crime commissioners to take place next year.

During the Committee stage of the Bill, the Opposition helpfully conceded the principle that we need democratic reform in policing, but their idea is just to add elections on top of the existing ineffective structures by having elected police authority chairs, which would add to the costs without bringing any of the benefits. Under our proposals, police and crime commissioners will have the power to set the police budget, determine local policing priorities and hold their chief constables to account. If they do not cut crime and help keep their communities safe, they will face the ultimate sanction of rejection at the ballot box.

However, slashing Labour's bureaucracy and increasing accountability is not enough. The police will have to take their fair share of the cuts across Government to clear up Labour's financial mess, so direct savings and efficiencies are also needed.

Jack Dromey: I am grateful to the Home Secretary. Last week five west midlands police officers with a total service of 163 years spoke out about the harm that will be done to the front line on which they have served all their life. If the Home Secretary wants to hear the voice of front-line police officers, will she agree to meet those five police officers?

Mrs May: I am very happy to visit police forces, as I do, to talk to police officers across the board, and to hear directly what they are saying. When I next make a trip to the West Midlands force, I am very happy for the hon. Gentleman to arrange for me to meet those five officers. I am sure I will be meeting other officers as well.

It is important that we ensure that we make changes within our police force so that we have the police force that we need to face the 21st century, but it is also important that we make sure that taxpayers' money is spent effectively. Our starting point for savings is the report by HMIC, “Valuing the Police” which estimated that £1.15 billion per year could be saved if only the least efficient forces brought themselves up to the average level of efficiency.

However, the fiscal deficit left by Labour is so dire that bringing all forces up to the average level is no longer enough—forces must go further. We must raise the performance of all our police forces up to the level not of the average, but of the most efficient forces. If forces improve productivity and adjust to the level of spend typical in the most efficient forces, we could add another £350 million to the £1.15 billion of savings that HMIC calculated.

This sort of thing is already happening. In Suffolk and Norfolk the police forces are creating a shared service platform for their back-office support functions,

[Mrs May]

saving around £10 million per year. In Kent, as my hon. Friend the Member for Rochester and Strood (Mark Reckless) who serves on the Kent police authority made clear, the police are streamlining and rationalising support services, enabling them to put more into the front line. The Kent force is also collaborating with Essex police to make savings and allow more resources to be devoted to the front line.

In London the Metropolitan police are getting more officers to patrol alone, rather than in pairs, and are better matching resources to demand in neighbourhood policing, increasing officer availability to the public by 25%. In Gloucestershire the police are putting 15% more sergeants and constables into visible policing roles and increasing the numbers of officers on the beat, at the same time as they are making savings. These examples show that it can be done and it must be done.

There were other aspects that were outside the remit of the HMIC report. I know that members of the Opposition Front-Bench team have not read everything that was in that report, so let me spell it out to them. HMIC did not look at the savings that could be made by joining up police procurement and IT, for example. Currently, the police have 2,000 different IT systems across the 43 forces, employing 5,000 staff. As my hon. Friend the Member for Devizes (Claire Perry) said, the police currently procure items from uniforms to helicopters in 43 different ways. That makes no sense.

Working with the police, we have already secured their agreement that the right way forward is a national, joined-up approach, with better contracts, more joint purchasing, a smaller number of different IT systems and greater private sector involvement. With these changes we can save a further £350 million. Again, that is over and above the savings that HMIC identified.

Steve McCabe rose—

Mrs May: The other major item that HMIC did not look at was pay. In an organisation like the police, where £11 billion goes on pay, there is no question but that pay restraint and pay reform must form part of the package. That is why we believe, subject to any recommendations from the Police Negotiating Board, that there should be a two-year pay freeze in policing, just as there has been across the whole of the public sector. This would add at least another £350 million of savings to those calculated by HMIC.

All these savings, together with those identified by HMIC, give us £2.2 billion of savings, just over the £2.1 billion reduction in central Government grant that must be made. And even that ignores the contribution from the local precept.

Keith Vaz: I am grateful to the Home Secretary for giving way a second time. The permanent secretary in her Department is before the Select Committee tomorrow and we will be asking her about procurement. I welcome what the right hon. Lady has said so far about centralising procurement, but is it not better for the Home Office to make recommendations on procurement across the 43 forces, rather than still to leave it to the forces to work out collaborations between themselves?

Mrs May: I am grateful to the right hon. Gentleman. Our view is that it is important to get the balance right between what the centre does and what the local forces do. Of course we want to leave decision making with the local forces, but we are working with them and ensuring that they will collaborate on those aspects where it makes sense for them to do so in order to make the savings that enable them to reduce their budgets without affecting the front-line services that people want out there in the streets.

No Home Secretary wants to freeze or cut police officers' pay packages, but with Labour's record budget deficit these are extraordinary circumstances. That is why I commissioned Tom Winsor to undertake the most comprehensive review of police pay and conditions in more than 30 years—not because I want to make savings for their own sake, but because I want to protect police jobs and keep officers on the streets. We are doing everything we can to minimise the effect of the necessary spending reductions on pay. I have spelt out savings today, but we cannot avoid the fact that changes to pay and conditions have to be part of the package.

Steve McCabe: Will the Home Secretary give way?

Mrs May: The hon. Gentleman has been very keen to intervene, so I will give way.

Steve McCabe: The Home Secretary is very generous. Following her comment on pay and trying to protect the police from the worst effects of the cuts, does she accept Winsor's own comment that 40% of officers stand to lose as much as £4,000 a year as a result of the proposals she is putting forward?

Mrs May: Tom Winsor did not say that. He indicated that a percentage of officers could lose funding as a result of his proposals, which are about putting increased pay to those officers who are in front-line service or who are using certain specialist skills in their work. I want action on pay to be as fair as possible. We are determined not only to cut out waste and inefficiency, but to ensure that pay recognises and rewards front-line service and allows chief officers to put in place modern management practices.

The Opposition know that savings can and should be made by modernising police pay and conditions. Indeed, they have said so publicly. The right hon. Member for Normanton, Pontefract and Castleford and the former Policing Minister, the right hon. Member for Delyn (Mr Hanson), have both said that Labour planned savings in the police overtime budget, but when Tom Winsor proposed those savings they attacked them. I am sure that not only police officers and staff but the public would prefer us to look at pay and conditions rather than lose thousands of posts. Given that the Opposition do not support reform of pay and conditions, losing more posts is exactly what they would do.

Paul Blomfield (Sheffield Central) (Lab): On the key issue of posts, the chief constable of South Yorkshire police, who has been mentioned a number of times in the debate, is facing a loss of 1,200 police and civilian posts. He is absolutely clear that there will be an enormous impact on front-line policing and has said that crime

will rise in South Yorkshire. Given the Home Secretary's concern that we should trust the police and their judgment, what would she say to him?

Mrs May: What I say to the hon. Gentleman is this: he is standing up saying that he wants to be able to save police jobs, so why have the Opposition singularly failed to support Tom Winsor's proposals? Not only did they not support the proposals, but the right hon. Member for Normanton, Pontefract and Castleford said that in commissioning Tom Winsor's report I was picking a fight with the police. It is absolutely clear that there are chief constables out there who recognise the impact that this could have. The chief constable of Thames Valley has said, "Tom Winsor's report on terms and conditions provide us with recommendations that could cut the size of our pay bill if they are implemented. This will allow us to reassess the job reductions we had planned for future years and maybe to retain greater number of officers and staff."

I have set out today that we have already identified savings over and above the reduction in central Government grant, so it is clear that savings can be made while front-line services are maintained and improved. The truth behind today's debate is that the Labour party is engaged in opposition for opposition's sake. They admit that there is a democratic deficit in policing but oppose our reforms to bring in democratic accountability. They said they would not be able to guarantee police numbers, but now they say that they would protect them. They say they would cut police spending, but now they oppose every single saving we have identified. They oppose a two-year pay freeze, meaning that their cuts would have to be deeper. They say that they would cut police overtime, but then they attack Tom Winsor when he proposes just that. They oppose reform of pay and conditions, meaning that under Labour more police jobs would have to go. This is not constructive opposition but shameful opportunism, and the public know it.

Only one side of the House has a clear plan to reform the police and cut crime. We are slashing bureaucracy, restoring discretion, increasing efficiency, giving power back to the people and, most of all, freeing the police to fight crime. Every one of those measures is opposed by the Labour party, which is why their motion deserves to fail.

7.44 pm

Alun Michael (Cardiff South and Penarth) (Lab/Co-op): I will start by repeating the declaration I make when policing issues come up in the Home Affairs Committee, which is that my oldest son is chief executive of the North Wales police authority.

I am amazed by the sheer complacency of the Home Secretary's speech. She seems to have just landed from another planet. Given that we are experiencing the largest annual fall in police officer strength since figures were first published for March 1978—I depend on the House of Commons Library for that figure—it is obvious that the cuts are going too far, too deep and are happening too fast. I do not rely only on statistics to know that; I need only speak with senior police officers, experienced people who do not want to leave the police, who work on the streets in my constituency—colleagues can do the same in their constituencies—to know that we are losing people whose experience, knowledge and dedication are invaluable in the fight against crime.

The Home Secretary caricatured the position of the Opposition and previous Ministers, such as my right hon. Friend the Member for Delyn (Mr Hanson). The cuts that the Government propose are roughly double the level that my right hon. Friend the Member for Kingston upon Hull West and Hessle (Alan Johnson) described as painful but possible when he was Home Secretary. The fact that the cuts are front-loaded makes the pain even worse.

I do not blame the Policing Minister, because this is driven by a Chancellor and a Prime Minister who are on the rampage with economic cuts that they clearly believe in and that go beyond what is economically necessary. The Home Secretary should have done better in negotiations and given the Policing Minister the tools that are necessary to do his job well. It is a fascinating and challenging role, as some of us know from our time in that job. The police need the tools to do the job. I want to inject some realism into the debate about what we expect from the police and then focus on what we mean by front-line policing.

In recent months, the Home Secretary has muddled the issues by talking so much about visible policing, as if the test is whether each of us can see a couple of Dixon-style cops strolling up our streets with measured tread. Visibility can mean different things to different people, so let us look at some examples. I will start with my own city of Cardiff. Pretty much all the police officers were pulled off the streets across south Wales on 5 June last year because the English Defence League made an unwelcome and unpleasant foray into south Wales. Inevitably, and rightly, I was there. People from a wide range of political and community groups marched as Unite Against Fascism. It was a massive and peaceful presence on our streets rejecting the bile and hatred of the EDL. That was a sort of inverse bonus for the city, because the police already had to cope with the Wales v. South Africa rugby game at the Millennium stadium. It was rather an irony that I had to depend for updates via text messages from my daughter, who was watching the match on television in Cape Town, because I was on the streets instead of at the game. On the same afternoon, the West Indies cricket team was playing against the England and Wales cricket team at Sophia gardens—it is called the England and Wales team when it is not doing very well, but the England team when it is doing well. The Stereophonics were in concert at Cardiff city stadium at the same time.

The police and the organisers of Unite Against Fascism and of the sporting events worked very hard to make it a peaceful day, and apart from a few idiots it went well. That was greatly to the credit of South Wales police, who took all necessary precautions. However, they could not be very visible in other parts of south Wales on such a day. It is challenging to police a successful capital city.

Despite such challenges, we have seen a major reduction in crime in Cardiff and across the South Wales police force area. Crime figures show that for 2009-10, crime overall fell by 11.7%, compared to 2008-09. More than 13,000 fewer people became victims of crimes such as burglary and vehicle crime. Robbery was down a massive 27%, with South Wales police the second most improved force in England and Wales.

That is not just down to the police; crime and disorder partnerships have helped, particularly through the violence reduction project in Cardiff, led by a medic, Professor

[Alun Michael]

Jonathan Shepherd. Violence resulting in a victim needing treatment at an accident and emergency unit is down by more than 40% in Cardiff, so the reduction is not just down to the police, but that partnership approach cannot work without the police. Is that front-line work? Is it visible policing? The answer to both questions must be no, unless we distort the words far beyond their normal, common-sense meaning.

Let me give some other examples. First, it is vital that police officers do undercover work and work internationally to counter terrorism. Preventing an explosion does not get the headlines commanded by the sort of bombs that went off in London in July 2005, but that is exactly why it is important for such quiet but effective work to go on year in, year out.

Secondly, there is the need to combat organised crime: those who traffic drugs, people and human misery. Again, that is well organised criminal activity and international in scale, as some of us saw when we visited Turkey with the Home Affairs Committee a few weeks ago.

Thirdly, there is internet-related crime, which includes fraud on a massive scale and serious and well-organised child abuse.

Mark Tami: Does my right hon. Friend agree that this Government deride the work of so-called back-room staff? What does he think it does to the morale of such people?

Alun Michael: Absolutely. Often, it is not very pleasant work. It is painstaking and time-consuming and requires a great deal of commitment, and often people put themselves in danger by undertaking such not very visible activity.

In each of the three areas that I have just mentioned, success commands little publicity. A day's report of convictions is the best that they can expect, and that is trumped by the drip-feed of facts and fears as the media quite rightly report the crimes and warn us of the dangers. That is inevitable, because until a case is brought to court, publicity might undermine it, and that is a risk which cannot be taken. It means, however, that the public demand for reassurance and safety involves effectiveness, not just visibility. Success on its own does not give reassurance.

There is an issue of confidence, but crime is down. I have referred to the massive drop in violent crime in Cardiff, as measured by the number of people who need emergency treatment, but people do not feel safe. They worry about neighbourhood nuisance, graffiti and rudeness as much as about murder and terrorism, and that is why police accountability is challenging and why Her Majesty's inspectorate of constabulary was right to send a message to the Home Secretary last week, defining the front line as a complex and challenging place.

That report itself, however, raises some serious issues, because the four categories of police work as set out in the report—visible, specialist, middle office and back office—do not include the strategic partnership work to which I referred earlier, and it is not clear that the report includes the other examples that I have given either.

I was a member of the Justice Committee when it produced its report on justice reinvestment. That report

points out that many of the services that can make an impact on cutting crime depend on resources outside the criminal justice system: mental health, drug and alcohol rehabilitation, skills, employment, housing and personal relationships. Harnessing those resources, however, requires greater engagement by the police, not less, so forcing the police to withdraw from such teamwork will lead to long-term costs, rather than to savings.

That is why I am sceptical of the HMIC report. It fails to refer to the words of Sir Robert Peel, stating that the purpose of policing is to prevent and reduce crime, words that were quoted by the Policing Minister when he gave evidence to the Home Affairs Committee and in a number of other contexts. I applaud him for quoting that as the prime purpose of the police, but nowhere in the HMIC report does it refer to the work of crime reduction partnerships or to any findings from the Justice Committee's report.

A time of financial constraint is the right time to be innovative and strategic and to go back to basic questions such as, "What is this all for?" The HMIC report does not do that. At the end of the day, cutting bureaucracy is indeed a worthy objective, but the Home Secretary will find that it is not as easy as she thinks; many previous Ministers have been dedicated to cutting bureaucracy. Increasing the visibility of the police, solving more crime, arresting more offenders and succeeding in a higher proportion of prosecutions are also worthy objectives, but they are means to an end, not an end in themselves, and that is why we need to spell out the danger of the cuts that go too deep, too fast and too far.

Several people have quoted the chief constable of the South Yorkshire force. I could quote any number of chief constables, but I will quote Meredydd Hughes, because I remember him as an effective front-line police officer in Llanrumney in my constituency earlier in his career. He said that the cuts questioned the sustainability of unprecedented reductions in crime over the last 15 years, and let us not forget how successful the previous Government were in driving down crime. He also said:

"A reduction in back office support will put an increased burden on operational officers detracting them from front-line duties."

But, above all, he said:

"What is clear is that we will be unable to continue to provide the level of service that we do today in such areas as neighbourhood policing within diversionary and problem solving activities."

I worry that the HMIC report does not say enough about diversion, prevention, crime reduction or problem-solving activities. They seem to have fallen outside the four categories that it chose, and we need to look at that report and its definition with very great care.

Paul Farrelly (Newcastle-under-Lyme) (Lab): In Staffordshire, the protestations that the cuts should not hit front-line services simply sound absurd. From this November, the county, which has a Conservative-run council, is implementing a rule that will force serving police officers, irrespective of rank or experience, to retire once they have reached 30 years' service. Does my right hon. Friend think that Staffordshire police will enforce regulation A19 lightly, or does he think that it has something to do with the severity and depth of the cuts?

Alun Michael: I am certain that it has a lot to do with the severity and depth of the cuts, and my hon. Friend refers precisely to the experience in my force area which has been replicated throughout the country.

"The point is that, at a time of severe cuts, many forces are having to take emergency action, rather than a considered approach that looks at the evidence of what works and makes sure that the police service increases its effectiveness and efficiency and is more successful, rather than less, in reducing crime. We have deep cause for concern. The cuts go too far.

7.57 pm

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): I am grateful to have been called in this debate, so soon after last week's proceedings on the Police Reform and Social Responsibility Bill, to express some of the frustration that has reached me from police officers in the far west Dyfed Powys force and, indeed, from members of the public, who are increasingly concerned about seemingly being used as a political pawn in the debate. It is affecting that vital bond between the public and the police, and indeed the morale of police officers themselves.

In our debate last week, I drew a parallel with the ongoing consultation on the future of the coastguard service, simply to remind myself as well as the House that the great passion for that service—one that is crucial in west Wales at Milford Haven—is built on loyalty, public respect, a sense of ownership and the sense that the coastguard and, indeed, the police are somehow part of the fabric and the architecture of the community, and that people know that when they ring the coastguard, as with the police, they will get a trusted and, above all, local response. That is increasingly relevant in this debate.

As hon. Members know, the Dyfed Powys force covers a huge geographical area of rural west Wales, but it has its fair share of terrorist-related incidents, urban crime and industrial-related challenges. Above all, however, what the force possesses is an ancient relationship with the community, and the potential compromise of that relationship, as a result of the terms of the Opposition's motion, is causing our officers and our public to waver between nervousness and distrust and, at times, contempt. Public confidence is very precious, and the idea that we can compromise it on the back of financial mismanagement over the past few years is the scandal at the heart of this debate, rather than the proposals put forward by the Government.

Several Members have referred to conversations that they have had with their local chief constables, and I will be no exception. Mr Ian Arundale, who is highly respected by the public in our area and by his own members of staff, has told me on more than one occasion that the proposals are challenging but need not compromise public safety.

Mei Stride (Central Devon) (Con): The Opposition consistently contend that we are facing 20% cuts across the board, yet we know that the precept is not subject to those cuts, and that officers are likely to face a two-year pay freeze in the future, which means that in fact the cuts are far lower. Does my hon. Friend agree that a much more responsible approach is to make that clear, as that will be less worrisome to his constituents and mine?

Simon Hart: I thank my hon. Friend for his intervention. Indeed, responsibility and irresponsibility lie at the heart of this debate. I cannot think of a more irresponsible approach than to try to frighten the most vulnerable in society, and the police service itself, with spurious claims that cannot be backed up by fact.

Steve McCabe: Does the hon. Gentleman think that the chief constable of Lancashire, who is the ACPO lead on performance management, was being irresponsible or misleading when he said on the "Today" programme on 29 March,

"we cannot leave the front line untouched and that is because of the scale of the cuts"?

Simon Hart: The hon. Gentleman may also be interested in the comments of the right hon. Member for Exeter (Mr Bradshaw), who said:

"I don't think it's possible to make a direct correlation between police numbers and crime reduction."

It is being assumed that a reduced number of police officers means a reduced service. I would argue, as have chief constables across the land, including my own, that that is not as clear cut as the hon. Gentleman might suggest. In Dyfed Powys, there will be a different sort of policing as a consequence of these changes—it will look different, as I said last week. There will be a greater reliance on technology, and things will not be quite as they were before. However, it is irresponsible to suggest that the public are somehow endangered as a result, and that makes the motion something that the Opposition should be rather ashamed of.

Graham Jones (Hyndburn) (Lab): The hon. Gentleman says that police numbers and crime are not linked. Is he therefore suggesting that if crime does not go up we should carry on cutting police numbers?

Simon Hart: I fully follow the hon. Gentleman's logic. The comment I made is attributed to a Member from his own party, and a similar comment was made by the former Home Secretary, so perhaps he will take it up with them when he has the opportunity.

I commend the approach of the Dyfed Powys force in its tackling of the challenges ahead. It had a simple strategy, which was to list its challenges as the things that it must do, the things that it could do, and the things that it must stop doing. Hon. Members may be interested to discover, as I was, that the last of those three lists is longer than Labour Members may care to consider. One such example was the victims of crime leaflet, a new Labour gimmick if ever there was one, which was abandoned by the Dyfed Powys police force as being a waste of officers' time and the public's time, and—guess what?—public satisfaction with the force went up at the same time as that measure was disposed of. That illustrates what I think, what my voters think, and what the police officers of Dyfed Powys think—that we would much rather have our police officers engaged in proper crime prevention and detection than in subsequently taking part in some sort of PR exercise to suit a political agenda.

Mr Alan Campbell (Tynemouth) (Lab): Will the hon. Gentleman join me, and indeed the Government, in welcoming the comments of Baroness Newlove who

[Mr Alan Campbell]

said last week that the assets of criminals should be used more for the benefit of the community that they have harmed? How does he suggest that that happens in the Northumbria police area, where the asset recovery unit is going to be subject to the cuts that he is advocating?

Simon Hart: The hon. Gentleman asks me to comment on a constabulary that is about as far away from my own as it is possible to go. All I can say on behalf of my own area is that we simply want our police officers to be solving crime and, better still, preventing crime—dealing with the realities of day-to-day life rather than engaging in spurious PR exercises and form filling of the sort that has dominated the political agenda for some time and that this Government are rightly seeking to reduce.

There is talk of its being easier simply not to replace chief superintendents—I almost said chief constables, which was a bit of a Freudian slip—after their 30-year service has come to an end. Of course there is a temptation to take that approach but, certainly in our case, it is balanced with the clear need seriously to address the issue of back-office support that other hon. Members have mentioned. That has been slightly misrepresented, because huge importance is attached to back-office police work as distinct from back-office administrative activity. The right hon. Member for Cardiff South and Penarth (Alun Michael) was a little disingenuous in not making that clear separation.

Paul Farrelly: I mentioned the 149 police officers being forced to resign after 30 years' service in Staffordshire, but I did not mention the six police stations, including my own in Newcastle-under-Lyme, that are being closed because of the cuts. These are police stations that survived Margaret Thatcher and are now falling victim to Cameron-Clegg. Would the hon. Gentleman designate those as much-needed assets or merely back-office functions that can be reorganised willy-nilly?

Simon Hart: The hon. Gentleman conveniently takes me on to my next point.

I do not think anybody on the Government Benches—obviously I cannot speak for the Home Secretary—has gone into these challenges with any great sense of glee based on any great ideology. It is grim reality time—responsibility time. I was fortunate enough to operate in the private sector before I came to this place. I was responsible for 90 employees and a budget of £5 million. Every single year I was forced to reduce that budget, every single year I went to my departmental head, every single year they said they could not do it, and every single year they said it would never be the same again and the end of civilisation as we know it, and—guess what?—after 10 years we had a lean, efficient machine that served its members responsibly and cost-effectively. What it boils down to—my own chief constable has said this publicly and privately—is that police officers are well capable of applying the same corporate disciplines in the police world that most people out there in the real world apply to their businesses. We should not automatically assume that a new approach to efficient policing will necessarily lead to compromises in safety.

The Government's proposals take us back to relatively recent levels of funding, not to the dark ages. They remove a thick layer of bureaucracy that I thought

everybody in this House was keen to see rid of, as well as members of the public and the police force. These proposals take police officers out of their offices and put them back where we need them: solving and preventing crime, and closer to their communities.

The scandal of this motion, and the reason I took part in this debate—I had no serious intention of doing so, but I was driven to it by frustration—is that it has nothing whatsoever to do with protecting vulnerable people in society or defending jobs in the police, and everything to do with furthering Labour's political aims. To do that in the run-up to a Welsh Assembly election when so many things are at stake, and to do so at the expense of the fear of vulnerable people in society and police officers worried about their jobs, is an absolute scandal. For that reason alone, the motion should fail dismally.

8.9 pm

Julie Elliott (Sunderland Central) (Lab): Thank you, Madam Deputy Speaker, for allowing me to take part in this important debate.

In January, I met the acting chief constable of Northumbria police to discuss the significant challenges she now has to face. Owing to central Government cuts, Northumbria police have to identify more than £57 million of cuts to be made over the next three years. That will lead to fewer police on our streets. I recognise that some savings are inevitable, but the depth and extent of the cuts that this Government are imposing on our police force will have a long and lasting effect on our communities and my constituents. My local police authority has confirmed that 318 police officers will lose their jobs, and that 825 support staff jobs will be lost. That is 41% of all support staff. In total, the sad figure of 1,143 jobs will be lost across the region.

Her Majesty's inspectorate of constabulary warned that forces could make savings of up to 12% before front-line policing would be affected. This Government have arrogantly gone ahead with cutting central funding to the police by 20%, while continuing to claim that front-line services will be protected. Despite the cuts, Northumbria police are expected to maintain or even improve the services they provide. The numbers simply do not add up. I believe that this situation is impossible. I fail to see how Northumbria police's track record of excellence and the quality of service that they provide to my constituents will not be challenged and compromised by the loss of staff.

Before entering this House, I was a trade union official for the GMB, as is stated in the Register of Members' Financial Interests. For a number of years, I had the privilege of representing GMB members employed by Northumbria police as support staff, so I understand the jobs that support staff do. I know how hard they work and how dedicated they are to providing an excellent service to the residents of the Northumbria police area.

Ms Louise Bagshawe (Corby) (Con): Will the hon. Lady speculate on what the effect would be on Northumbria police of the policing cuts that the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper) has just announced that Labour would have made of 15% over the course of this Parliament?

Julie Elliott: That is substantially less than the Government propose. The key point is that it would be done over the course of a Parliament. These cuts are being implemented now—too fast and too deep.

The jobs that support staff do are crucial and important; they are not anonymous pen pushers. They do jobs such as taking calls from the public and directing them to the correct area within the force or escalating them to the correct level—for instance, if an accident has happened. Some are employed at the driver training school, which teaches all police officers specialist driving skills, such as how to drive safely at speed, before allowing them to drive a police car. Those are not jobs that do not have to be done, but essential jobs. If support staff do not do them, someone else will have to. They are not the type of jobs that can be got rid of.

Chris Heaton-Harris (Daventry) (Con): Perhaps the hon. Lady can understand why the public are slightly confused about the numbers. Since 1994, police numbers have gone up by 16%, but back-room staff numbers have gone up by 54%. The public wonder about the productivity of the back-room staff because crime figures are not exactly moving in the right direction very quickly.

Julie Elliott: If back-room staff are freeing police officers to be out on the streets dealing with crime, they are doing an important job in bringing down crime. That is what my constituents say to me.

Staffing rationalisations, which I have heard much about from Government Members, have been ongoing for many years in police services. In my opinion, support staffing is down to a level where there is little, if any, slack. The cuts will take police officers off the streets to do support staff jobs. The result will be many fewer police doing front-line duties.

When Labour left office, there was a record number of police on the streets—nearly 17,000 more than in 1997—and 16,000 new police community support officers. Inevitably, the record number of police officers on our streets meant that crime fell dramatically. That is a record of which all Labour Members can be proud. The Government are unravelling all the work that was done to increase police numbers and as a result are putting the safety of our communities at risk.

The question I ask today is this: I know that my constituents value their police force, so why do this Government not? When the police do so much to protect our homes, families and communities it is only right that we show them just how valuable they are. At the moment, the Government are sending the police the opposite message from that of my constituents.

Over the last few weeks, many police officers who live and work in my constituency have contacted me. They are concerned about the additional and unnecessary pressure they will face as a result of the Government's cuts. One serving police officer contacted me recently to say:

"The cuts to police officers and police staff will have a massive effect on our ability to police the streets throughout our force area. Our command team have no alternative but to face the press and pretend to them that we can make ourselves more efficient and improve the service we deliver. To say anything else would cause panic across our force area. This is the direct result of the massive cuts to police budgets imposed by the current government".

I think that that sums it up. I ask the Government to consider the impossible position in which they are putting our police officers and chief constables.

For years, Sunderland has led the field in tackling domestic violence. The Safer Sunderland Partnership and its dedicated team have worked tirelessly and effectively to support women and children who are victims of and at risk from domestic violence. The Government cuts will put such specialist policing units under strain or facing closure. Sunderland's safer communities team is losing its highly dedicated domestic violence co-ordinator. Our communities, and the women and children whom these services protect, cannot afford to take that risk. The Government do not seem to consider specialist services such as domestic violence, child abuse and serious organised crime units, or those involved in training, to be front-line services and they will not be exempt from the cuts. The Government may not consider such units to be important, but my constituents do and they greatly appreciate the work that they do to protect our community.

It is time that the Government faced up to reality and recognised the risks that they are taking with crime in our communities—risks that we cannot afford. They must review the level of cuts that they are imposing before it is too late.

8.17 pm

Tom Brake (Carshalton and Wallington) (LD): The Government are facing up to reality. The most challenging financial circumstances that this country has faced since the second world war have made me acknowledge that the quality of policing cannot simply be about the number of police; it must also be about how well they are deployed. Government Members have always been clear that police forces can make savings, while protecting front-line services and prioritising the visibility and availability of policing.

There may be no agreement on that between the Government and the Opposition, but at least there is agreement on police budgets. Let us be clear: the Labour party admits that it would be cutting police funding, that it could not guarantee police numbers, and that it could not guarantee that police staff would not be lost. That is not only because of the cuts to police funding that it had proposed, but because, irrespective of the plethora of targets that operated when it was in power, it still could not dictate to chief constables exactly whom they did or did not employ.

At the moment, the police are crippled by bureaucracy and spend more time on paperwork than on patrol. That frustrates the police, who want to do their job, and the public, who want to see more police on the streets. The coalition Government are scrapping unnecessary bureaucracy to save police time. The Liberal Democrat and Conservative manifestos both said that we would reduce time-wasting bureaucracy, and that is exactly what we are doing. We are helping the police to make savings, and to ensure that resources are focused on the front line.

Graham Jones: Would the hon. Gentleman not add cutting crime to that list? He has listed bureaucracy, but surely the purpose of the police is to cut crime. Will that be in his speech at some point?

Tom Brake: I thank the hon. Gentleman for his intervention. That is the second point on which we can agree: the police should, indeed, cut crime.

The police could also make savings from consolidating IT services, as the Home Secretary said. The police have no fewer than 2,000 separate IT systems. Surely that is a good place to look for savings. We can do much more with technology to help the police use their time more effectively, and all parties agree that we need to do much more to ensure smarter procurement.

Another point on which the coalition partners agree, but on which Labour opposes us, is the terms and conditions of police officers. The Government were right to set up the Winsor review of police pay and conditions, and of course the coalition Government will work in co-operation with the police negotiating bodies on the matter. To fight crime, we need a modern and flexible work force to help chief constables manage their resources properly, maximise officer time and improve the service to the public. We are clear, of course, that the police must be fairly compensated for their work, which is difficult and often dangerous, as we have been tragically reminded over the weekend following the callous murder of Ronan Kerr.

What are the key facts behind what the coalition Government are doing? It is true that Government funding for the police is being reduced, and will be reduced throughout this Parliament. However, as the Home Secretary said, the police also receive precept funding, and the Government's freeze in police pay will make a substantial contribution to maintaining budgets.

I acknowledge that the picture across the country is complex, and it is clear from the reports that we are getting from different forces that some are finding the situation tougher to address than others. However, as Members have said, some police forces are actually increasing the number of front-line officers, such as Gloucestershire police, which is moving up to 15% of police officers into more visible roles. Many Members have quoted the HMIC report, which revealed that some forces have twice the visibility and availability of policing of others. It is clear that all forces can make improvements to the visibility of police officers.

The same report showed that a third of resources are not on the front line, and highlighted the great differences in the visibility of police officers at different times. Some 16% are visible on a Friday morning at 9 o'clock, but only 9% are visible and available on a Friday night. Again, it is clear that there are things that forces can do to increase the visibility of police without necessarily touching police numbers. They can provide police at the time when the public want to see them. I am sure all Members have been accosted by constituents who ask them why police officers and safer neighbourhood teams are out patrolling at 9 o'clock on a Monday morning rather than in the town centre at 9 o'clock on a Friday night. Improvements can therefore be made to rotas.

The Labour party's record is worthy of some scrutiny. As Opposition Members may well know, in 2009 just 14% of all officers' time was spent on patrol, compared with 22% on paperwork. In one year alone, from 2007 to 2008, the amount of time spent on paperwork increased by 22%. The Home Secretary referred to the comment of Peter Fahy, the chief constable of Greater Manchester police, that Labour had a political obsession with numbers of police.

Stephen Twigg rose—

Tom Brake: Perhaps one could argue that the Liberal Democrats had that obsession too. I am very happy to give way to the hon. Gentleman, but I may have pre-empted his point.

Stephen Twigg: I am grateful. In the light of the hon. Gentleman's comments, does he regret the commitment that he stood on last May of 3,000 additional police officers?

Tom Brake: I thank the hon. Gentleman for his point, and I apologise for pre-empting it. However, I said at the beginning of my speech that the circumstances that we are in have required all parties to reappraise any prior commitments in their manifestos. Quite simply, as the former Chief Secretary to the Treasury said, there is no money.

I turn back to the previous Government's record. Jan Berry, as the hon. Member for Northampton North (Michael Ellis) mentioned, said about police bureaucracy:

"I would estimate one-third of effort is either over-engineered, duplicated or adds no additional value."

She was the person whom the previous Government chose to examine bureaucracy, and that was her assessment of police effort.

Keith Vaz: Does the hon. Gentleman not agree that it would have been sensible if Jan Berry had been asked to continue the work that she started? She produced an excellent report, but I understand that her work has now been transferred to the chief constable of the West Midlands, a serving chief constable. Surely it would have been better if Jan Berry had been allowed to monitor the results of her recommendations.

Tom Brake: I thank the Chair of the Home Affairs Committee. I am absolutely certain that the work that Jan Berry has already done will inform what the chief constable and the Government are doing to address bureaucracy.

A previous Labour Home Secretary, when he was asked in April 2010 whether he could guarantee that police numbers would not fall, said that he could not. The shadow Chancellor is on record as saying that under his plans,

"you will lose some non-uniformed back office staff".

It is interesting that the shadow Home Secretary and the shadow Chancellor cannot even agree among themselves what their position on the Winsor review is. The former has attacked the Government for initiating the review, but the latter has said that overtime and shift work savings are something that

"any sensible government would look at".

I suggest that they need to get their house in order first.

Yvette Cooper: To clarify, we have criticised the Government many times for pre-empting the Winsor review, not for commissioning it. We have criticised them for announcing their views on the amount of money that should be cut, and for criticising the police in the newspapers, in advance of the Winsor review rather than after it.

Tom Brake: I thank the shadow Home Secretary, but maybe she would like to intervene again and confirm whether she agrees with the shadow Chancellor that overtime and shift work savings are something that "any sensible government would look at".

Yvette Cooper: I am pleased that the hon. Gentleman is inviting interventions, because we have said that it is right to examine how the police work. However, will he confirm that his party's pledge of 3,000 additional officers was made when the now Deputy Prime Minister said that although financial circumstances were extremely difficult, the position of the police was so important that there would be 3,000 additional police officers as part of his party's manifesto commitment?

Tom Brake: I am grateful to the right hon. Lady for intervening and putting on record the Labour party policy on policing—that it is right to examine how the police work. That is as close to a policy statement as we are going to get tonight.

The debate could have been an opportunity to discuss the coalition's programme of police reform and budget reductions, and to contrast that with the Opposition's track record and future plans. Regrettably, the Opposition did not grasp that opportunity. Instead, we had the usual "too fast and too deep" or, alternatively, "too far and too fast" line from the shadow Home Secretary, peppered with lame police and justice themed jokes, recycled from an earlier speech. When will she accept that saying that the coalition is going too far, too fast does not amount to a policy for the Labour party? If she wants to be taken seriously, she will have to work out her party's policy before she next stands at the Dispatch Box.

8.28 pm

Graham Jones (Hyndburn) (Lab): The Government speak of reform of the police force: of front-line services and of back-office management. However, "reform" is a euphemism that the Government use for the most drastic cuts to one of our most vital public services.

Actions speak louder than words, and the public will judge the Government on their actions and their decision to cut the police budget by 20%. The Government speak of reform, but the reality is deep and damaging cuts, which will drastically affect the front line of our police force.

We should not underestimate the scale of the cuts. Almost a quarter of a million people are employed by 43 police forces in England and Wales. The Association of Chief Police Officers has put a figure on how the Government's 20% cut is likely to translate into the number of officers on the street. It estimates that 28,000 jobs will be lost as a result of the cuts. Of those, 12,000 will be police officers and 16,000 will be so-called civilian staff. That represents a fall of around 12% in overall staff numbers, with 8% of officers losing their jobs.

The Government's Winsor review states that the taxpayer will save £485 million over three years as a result of those cuts, but at what cost? Her Majesty's inspectorate of constabulary has said that more than two thirds of all police force staff in England and Wales are employed in front-line roles, but that not all are necessarily visible. It stated that the front line is

"not just what you notice, but it's also what you rely on."

We must not make a clinical distinction between front-line and back-office policing. That is too crude. We must not confuse visibility with deployment.

HMIC found that 95% of police officers are either on the front line or working in important middle-office roles in—for example, intelligence gathering or operation planning. Even if the Government's claim that cuts of 20% would affect only back-office roles were true, those middle and back-office roles are not simply disposable assets. Cuts to middle and back-office roles will inevitably have an effect on the ability of those on the front line to do their jobs.

The Prime Minister said:

"There is no reason for there to be fewer front-line officers."—*[Official Report, 30 March 2011; Vol. 526, c. 335.]*

I would like to echo the words of Steve Finnigan, our chief constable. He said that preventing cuts from hitting the front line would prove challenging. He went further, saying that it would be impossible to protect the front line. He was asked this week whether the Government's cuts mean that he will have to reduce front-line policing and he replied, "I absolutely am." Chief Constable Finnigan is ACPO's lead officer on performance management. Does the Home Secretary think that he is wrong? Does she think that Chief Constable Finnigan of ACPO and Lancashire police is not managing his force correctly?

The point is simple, and we are hearing it from forces throughout the country. We simply cannot make cuts of 20% without hitting front-line services. Our police force is one of our most vital public services. Those officers do some of the hardest jobs in the most demanding circumstances and the Government have wholly underestimated their commitment and dedication.

The Government's so-called reforms will inevitably have an impact on the police service for years to come. The Government promised that there would be no centrally determined job losses—I suppose that that is technically true. Instead, the Government are responsible for the heavy front-loaded cuts, leaving the inevitable job losses in the hands of local authorities and the police.

The priority must be to protect the visibility and availability of police forces in our local communities. However, my constituents are far from optimistic about the so-called reforms. Lancashire Police Federation has said that, in the light of cuts, the force will be hit doubly with job losses and pay cuts, about which we have already heard.

Mrs Helen Grant (Maidstone and The Weald) (Con): Will the hon. Gentleman give way?

Graham Jones: I would like to finish, please. Plenty of other hon. Members wish to speak.

John O'Reilly, chairman of Lancashire Police Federation, said:

"Lancashire is a top performing force because of its workforce."

John goes on to say that

"if the Government keep bashing us, all they are doing is opening up the door for criminals to make life more difficult."

Figures put to the Lancashire police authority suggest a drastic reduction in the number of officers, which would put Lancashire's officer strength at its lowest since 2003.

[Graham Jones]

In the period since 2003, Lancashire has experienced the greatest fall in crime, and I would not like to go back to 2003 crime levels. However, the cuts will result in an eight-year low in the number of police officers on Lancashire's streets.

Everyone supports sensible reform, but the Government are hitting our police forces hard, and it will be to the detriment of our local communities. My constituents are concerned that cuts to our already stretched police force will be an open invitation for criminals to commit more crime. Do the Government really think that crime levels will not rise with the police force stretched, understaffed and under-resourced? Do they honestly think that antisocial behaviour will not increase, and that the safety in our streets will not be put into question as a result of there being fewer officers on the beat?

Two thirds of the British public share those concerns and, to date, the Government have done nothing to put those concerns to rest. People are clearly concerned that reduced police funding will have detrimental effects, and at the same time, the Government are prepared to spend £40 million or thereabouts on electing police commissioners.

Furthermore, there has been a two-year delay on the decision on whether police community support officers will continue. My constituents are worried not only about police cuts, but about the Home Office budgets that affect PCSOs. This is not just a numbers game. The Government seem happy to cut our police force by a fifth, but have they paid any thought to the experience and expertise of the PCSOs who will be lost as a result of those cuts?

The Home Secretary must realise that she cannot make drastic cuts of 20% to the police budget without losing some of our most experienced and dedicated officers from the front line. The Government must think again on the scale and pace of the cuts. They are going too far, too fast.

8.36 pm

Alok Sharma (Reading West) (Con): I am grateful for the opportunity to contribute to this very important debate.

Since the start of this Parliament, we have had numerous Opposition day debates on a range of subjects, but the core of every debate is always the same—public spending and public sector reform—and the Labour party always falls back and repeats the same tired mantra that the coalition is cutting too fast and too far.

Of course, to date the Opposition have offered no alternative. They have no credible policies to speak of and there is still no ink on the Leader of the Opposition's blank sheet of policy paper. Perhaps there is an untidy smudge, because after all, in February, he and the shadow Chancellor tried to instil some discipline in the shadow ministerial ranks by asking that all potential commitments be cleared by the Labour high command. That discipline, however, was in tatters in no time. Over the past few weeks, Labour has opposed £50 billion of savings proposed by the coalition, and made £12 billion—and rising—of unfunded spending commitments. That is no economic policy; it is voodoo economics.

To understand what Labour would have done had it been in government, we need to look back at its plans.

The coalition inherited planned spending cuts from Labour of £14 billion in 2011-12, and the coalition savings amount to £16 billion for the same period, which is a ratio of 9:10. It is all very well Labour Members moaning about the level and pace of cuts, and the front-loading of savings, but the fact is that they planned to do exactly the same.

It is all very well the shadow Home Secretary wailing about police numbers, but before the general election—a number of colleagues have alluded to this—her colleague, the former Home Secretary, the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson), made the point that he could not guarantee police numbers if Labour were re-elected and returned to office. It is all very well the shadow Home Secretary attacking the Winsor review, as she did again today, but her colleague, the former Police Minister, the right hon. Member for Delyn (Mr Hanson), who is not in the Chamber, confirmed that Labour planned to cut police overtime if it returned to office. I do not understand—and I guess no Government Members understand—why the Labour party and the shadow Home Secretary oppose the Winsor review.

The shadow Home Secretary may well moan about cuts generally, but she should remember, as do many outside the House, that the Government of whom she was a member created the mess and the record deficit that the coalition is trying to fix. Just for the record, and because Labour Members still do not get it after 12 months in opposition, let us remember Labour's legacy: the biggest deficit in the developed world, and £120 million paid out every day in interest alone by the British taxpayer. That is three and half times the total that we spend on policing in the UK.

Have the British people ever had an apology from Labour for creating that toxic financial mess? No. And what of the Tweedledum and Tweedledee of Labour's decade of destructive debt? The right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown) seems to have abandoned the House completely—I do not think that we have seen in him here in recent times—and in his utterances, the shadow Chancellor seems to be morphing into the Labour Prime Minister of the late '70s, saying, "Deficit? What structural deficit?" That is where we have come to.

A few weeks ago, the shadow Home Secretary turned up in my constituency in a marginal ward to moan about cuts in front-line policing and to worry my constituents—what a surprise with local elections due in May. To get her facts she chose, rather unwisely, to listen to the apparatchiks, dinosaurs and deficit deniers who currently comprise the Labour party in Reading. [Interruption.] Oh, the hon. Member for Liverpool, West Derby (Stephen Twigg) has met them! They are the same folk who managed, between 2002 and 2010, to increase Reading council's debt from £41 million to an eye-watering £200 million, with no debt-reduction plan in sight—that sounds familiar does it not? There was £1 million of taxpayers' money wasted on consultants here and £1.4 million to pay for full-time union officials there, but then Labour has always been very good at frittering away taxpayers' money.

Had the shadow Home Secretary bothered to speak to the chief constable of Thames Valley police before her visit to Reading, she would have heard a different story. She could perhaps have Googled, as she is doing

now, and seen the stories in the press from February. What is absolutely clear is that, despite having to make savings, Thames Valley police has made it clear that it will not cut the resources committed to neighbourhood policing and patrols. That is its commitment to visible policing—protecting the front line. It is finding savings by removing management layers and collaborating successfully with the neighbouring Hampshire police in key areas to save back and middle-office costs. Examples include a single, shared IT department that will save millions of pounds and shared firearms and dog training. It is collaborating with other forces in areas such as air support, witness protection, specialist operations and technical support. While finding savings and protecting the front line, Thames Valley police is also increasing the number of special constables, having recruited 570 in the past six months alone.

Thanks to Labour's budget deficit, police forces and other public services are having to find savings, but we should also remember, as a number of my colleagues on the Government side have said, that many in the private sector have had to find savings of more than 3%, 4% or 5% a year for the past few years. It is, as my right hon. Friend the Home Secretary has said, possible, and Thames Valley police is demonstrating that it can find savings and protect the front line at the same time. Let me take this opportunity to pay tribute to all the police officers and PCSOs in Reading who do such a great job and are so dedicated to serving the local community.

In conclusion, this is just another cynical Opposition motion. It demonstrates that Labour is not ready for a grown-up discussion about tackling its budget deficit and I will be voting against it this evening.

8.42 pm

Siobhain McDonagh (Mitcham and Morden) (Lab): I shall concentrate my remarks on what is happening in my part of south London and in the Metropolitan police area, where there is a serious undermining of the credibility of senior police officers at the moment, because of their collusion with the Mayor and deputy Mayor in suggesting that there are no cuts to safer neighbourhoods teams.

First, let me say that I am truly obsessed by police numbers, and I am joined in that obsession by the 74,000 people who also live in my constituency—people who voted Labour, Conservative or Liberal, or who did not vote at all; men and women; people of all races; people who have come to this country recently and people who were born in this country, perhaps in south London. All those people are obsessed with police numbers because their top concern is their personal safety and their desire to feel safe from crime. I am talking about crime numbers and the fear of crime.

We in the House often forget that there has been a revolution in policing in the past 10 years. There has been a rowing back of the police policy of 50 years—the policy of getting off the street, out of the neighbourhood and into the panda car, to be with the blue light and not with the old lady on the street or the young guys down the street who did not know police officers' names and increasingly came into conflict with them.

In the past 10 years we have seen an enormous change in the relationship between the Metropolitan police and the communities that make up London. All

communities now want more police and they all believe that antisocial behaviour and crime need to be tackled. More people are also prepared to give evidence—to stand up and be brave in the face of some of the most shocking crimes that we have seen recently in London. Operation Trident, dealing with black crime, has also been a fantastic success.

However, that success does not come out of thin air; it comes from politicians—yes, politicians—making decisions about policing and saying, sometimes in the face of opposition from leading police officers, "We want to get back to community policing and we want to introduce safer neighbourhood police teams." I give credit to the former Home Secretary, my right hon. Friend the Member for Sheffield, Brightside and Hillsborough (Mr Blunkett), for introducing safer neighbourhood teams and police community support officers. His decisions were sometimes derided, but those initiatives have brought about the biggest increase in confidence in policing and the biggest reduction in crime in modern times, all because of those simple things that we all know to be true, irrespective of our political ideologies.

For policing to work, it has to be about community. People have to know who their police officers are and to feel that they can give information to them, because the police can never sort out crime on their own. They need all of us with them, and that is what the safer neighbourhood teams were beginning to do. Were they perfect? Did they all do the right things? No, certainly not. Indeed, I have spent most of the last 10 years fighting with my safer neighbourhood teams, because I have not liked their shift patterns, nor have I agreed that they should be out more at 9 o'clock in the morning than at 9 o'clock at night, and that goes for Mondays as much as for Saturdays or Sundays. Indeed, when my dad was dying, I found the energy to sit all my safer neighbourhood teams down, along with all the trade unions, and say, "You have to change these practices." Is the Home Secretary right to look at police practices? Yes, she is; but in doing that, she also has to say that we need to keep safer neighbourhood teams on our streets.

In my constituency those officers are declining in number, yet the area commander and the leadership of the Met deny that this is happening. Currently, eight out of my 10 safer neighbourhood teams are not fully staffed. They have gone down to one PC, and none has a full complement of police community support officers. That is not something that I have dreamt up or that a disgruntled police officer has told me—although many are willing to tell me—but something that can be found on the Merton police service's website. Consultations begin all the time on what safer neighbourhood policing should look like, but the whole drift and drive are about reducing team numbers, merging and deciding that some areas are not worthy of their team, because they are not crime-ridden enough. However, as far as I am concerned, people in every ward pay their taxes and they deserve to have their neighbourhood police team.

If the Government and the Mayor believe that the cuts should fall on safer neighbourhood teams, let me say this: stand up and say it. Do not pretend and do not lie, because the consequences will be enormous, and if we row back on people's confidence in the police, we will all have a problem.

I was watching the BBC's nightly London news programme back in February when I saw my good friend Councillor Martin Whelton talking about how

[*Siobhain McDonagh*]

his safer neighbourhood team was being merged with the team in Longthornton, and how the two police panels had been merged. Later in the same news item I saw Mr Ian McPherson, the Assistant Commissioner—whom I have never met—explain that that was not happening. The local councillor on the ground and the members of the panels were saying, “Yes, this is happening,” but the Assistant Commissioner was saying, “No, it isn’t”, so I sought to clarify the situation. On 18 February, I wrote to Mr McPherson to say:

“I write further to my discussions with the Area Commander of Merton Police Service, Mr Wolfenden, and your interview on BBC London on Thursday February 17th, in which you suggested that there were no plans to reduce the size of Safer Neighbourhood Teams.

As my colleague, Councillor Martin Whelton, suggested in the news report from Mitcham, the evidence on the ground contradicts the content of your TV interview. I am personally aware that the Longthornton and Pollards Hill teams have now merged and only have one sergeant, both having only one PC. In addition, I am also aware that a PC was removed from the Lavender team and transferred to Graveney. As you will be aware, the concentration of crime and anti-social behaviour in the London Borough of Merton is within the Mitcham and Morden constituency, with high levels of crime and fear of crime in Lavender, Cricket Green, Figges Marsh and Pollards Hill. If you were to reorganise the police officers to match this need, those wards would be receiving greater, not less, cover.

I have also been informed by officers at all levels within the Merton Service, that there is no point to argue for the continuation of the ten teams in my constituency as this cannot be sustained due to the need to cut back on sergeants within the Metropolitan Police Service. The need to reduce the number of officers and the inability to sustain the Safer Neighbourhood Teams was also contained on the Merton Voluntary Service Council website, who themselves were informed that there needed to be cuts in sergeants and police officers.

Given the evidence on the ground, and concern of local councillors and residents, I would be very grateful if you might meet with me in my constituency to discuss these matters further. I am concerned that there are changes being undertaken on the ground that you do not appear to be aware of. I would be happy to arrange a meeting with councillors and concerned local residents where we could discuss these matters.”

That letter was written on 18 February. To date, I have not received the courtesy of a reply. In getting no response, I am not offended personally, but I am offended on behalf of my constituents, who fear crime and want to keep their police officers.

I would ask for a modicum of honesty in this matter. It is absolutely right to look at how a big public service like the police works. The desire for continuing efficiency is absolutely right, but the idea that police officers can be taken off the street and be put back in cars at the same time as continuing to reduce crime itself and, more importantly, the fear of crime is a complete lie and a fantasy. We should stop these lies.

8.52 pm

Nigel Mills (Amber Valley) (Con): This is the fourth time in my short career in the House that I have spoken in a policing debate and, sadly, the second time I have done so while a murder investigation is ongoing in my constituency. That makes it a good time for me to pay tribute to the police for their hard work. Large-scale and difficult investigations like this one after the senseless

murder of young Jia Ashton in Somercotes a couple of weeks ago help us all to appreciate how hard a job the police sometimes have.

It is important to put our debate on policing into context. We are debating the subject in the shadow of the most difficult public finance situation in peacetime history. As we look through these large and confusing numbers, it is important to realise, as my hon. Friend the Member for Reading West (Alok Sharma) just explained, that the Opposition’s last financial plan when they were in government involved them in about 90% of the spending reductions for this financial year—a difference of only £2 billion, which they spent many times over. They cannot get away with saying that if they were in power we would not have to face the huge savings that need to be made or the huge cuts that need to be found. In fact, neither of the main parties at the last election pledged to make no reduction in police funding or police numbers. Moreover, the last Labour Home Secretary—we have already had three shadow Home Secretaries in this Parliament—admitted that police numbers would fall under Labour as well.

The public do not much enjoy listening to us throwing blame around the Chamber. They want to hear us talk about what the Government should be doing to ensure that we have the efficient and effective policing that we need. The Government might have passed a Bill stating that there would be no reductions in uniformed police officers, but I am not sure whether we could have recommended such a Bill or whether it would have worked or been at all sensible. We have all seen the awful trend of having uniformed officers working at back-office functions for which they are not trained and which they are probably overpaid to do. What we need is something different. We want the highly trained police officers to be out on the streets, not doing support or back-office roles, however we want to define them.

The Government clearly can and should do certain things. I would like to talk about three particular examples: the funding for each force, reforms to pay and conditions and taking steps to strip away bureaucracy. I am glad that my right hon. Friend the Home Secretary is still in the Chamber. She has heard me say this before, but I think it is important to bear in mind the difference in funding levels. Let me point out yet again that for many years Derbyshire has lost about £5 million a year—which equates roughly to 160 officers—because the last Government did not implement their own funding formula establishing the requirement for each force.

I realise that it was not possible for any Government to solve the problem in the time available, but I urge the Home Secretary, when the next funding round arrives, either to start to implement the existing funding formula or to introduce a new one. It cannot be right for us to keep saying “Here is a formula; here is the amount that you want; oh, sorry, you cannot have it”. That simply is not sustainable. We are led to believe that some forces do not have to work under the same financial pressures as Derbyshire and several other authorities in the east midlands.

I may gain more agreement from my colleagues on the Front Bench when I speak of the need to reform pay and conditions. The point has been well made that at a time when more than 75% of police budgets is spent on pay, there is a clear link: if we do not reform pay and conditions, we shall have to accept a smaller head

count. Although imposing a two-year pay freeze is not a pleasant task, reforming police allowances and overtime payments must be the way forward. I say that cautiously, as the police service parliamentary scheme enables me to spend Wednesdays touring Chesterfield with members of the police force. I hope that, if they read the report of my speech, they will understand what I was trying to say. I am happy to debate the issue with them.

I urge the Government to make some progress on the Winsor review. The last thing that any of us want is for police forces to have to make cuts and savings and then, when the final recommendations of the review are published, to discover that the problem was not as bad as had been feared, and that they need not have made those savings. A degree of certainty on pay and conditions and the pension position will help everyone. I do not think that any of us work at our best with a huge amount of uncertainty hanging over us for longer than necessary.

We also need to strip away bureaucracy, and during their 11 months in power the Government have made considerable progress in that regard. We all want as many man hours as possible to be spent on the front line. I believe that Her Majesty's inspectorate of constabulary defines the front line as officers

"who directly intervene to keep people safe and enforce the law". I do not know whether others agree with that definition, but it strikes me as a reasonable form of words.

The abolition of the police pledge, the reduction of bureaucracy and the granting of more discretion to the police to fight crime should be hugely welcomed. Talk of absolute police numbers is not the clearest way of discussing the issue; I think that what the public want to see is the right number of officers engaged in the right duties at the right times and in the right places, working in a smart manner.

Tom Brake: One issue that the hon. Gentleman and, indeed, other Members should consider is the amount of time spent by safer neighbourhood teams on petrol stations. I was appalled to discover that one BP garage in one ward was using 20% of the safer neighbourhood team's time to deal with drive-outs and shoplifting. I suggest that Members with petrol stations in their constituencies ask how much of the local safer neighbourhood teams' time is being spent in that way because they have not, for instance, ensured that CCTV is up to scratch, and that staff are properly trained to prevent shoplifting from becoming rife.

Nigel Mills: The hon. Gentleman has made a sensible point. I hope that the Government's decision not to increase fuel tax even more will not provide any further encouragement for thefts from petrol stations.

Various reports have been quoted as saying that in 2009 only 14% of police officers' time was spent on patrol and 22% was spent on paperwork. That cannot be right: there must be scope for the police to work in a far smarter manner. According to Jan Berry's report—which has been referred to—about a third of police time is ineffective, and that demonstrates the scope for savings.

I commend the work that Derbyshire police have done, and continue to do, in their "Moving Forward" savings programme. I recently had an opportunity to quiz the chief constable, the officer in charge of the

change programme and various others about how they were approaching it, and to challenge them by suggesting some additional things that they could think about. I was impressed by how well on track they were, and how well they had thought everything through. They have managed to save £700,000 already by putting sergeants back in charge of evidence gathering and case preparation, and they have saved about £1 million through increasing regional collaboration, so there are things that all forces can do.

Mrs Grant: Does my hon. Friend agree that there is also an emerging police willingness to work with other agencies in the community, and that they are doing that in a very exciting and innovative way, which is good for both public services and the improvement of the police force generally?

Nigel Mills: It would be impossible not to agree with that; it has to be the way forward for all the services that have interactions with each other to make those interactions more effective and to avoid the duplication that can arise.

People must feel that the police are on their side. In the election campaign, I suspect that the following concern was expressed to every one of us time and again: "What do the police do? We never see them. They only want to tackle innocent motorists, and they don't tackle serious crimes." That is why the introduction of elected police commissioners—I have the pleasure of serving on the Public Bill Committee dealing with that—is a hugely powerful step. It is a way of saying, "Look, here is someone who can ensure that what the police do is what the public actually want them to do, and not what the chief constable, or the Government, might want them to do. Here is someone who is accountable to the public for delivering on police priorities."

Finally, let me say that it would have been a far more constructive use of parliamentary time if today we had debated those aspects of the Winsor review that we welcome or have concerns about. Instead, we have had what must be about the third debate on police funding, which has more to do with playing party games before the local elections than trying to improve the police force. Let us instead look at the challenges the police face, and work constructively to get the best and the most efficient, but also the most effective, police force that we can for all our constituents.

Several hon. Members rose—

Madam Deputy Speaker (Dawn Primarolo): Order. Before I call the next speaker, may I point out to those Members still waiting to speak that the winding-up speeches will start at 9.40 pm and we simply will not have time to hear from everyone who wishes to contribute unless we have fewer interventions from those who have already spoken and each Member who speaks is considerate of the Member who is about to follow them? If that is the case, everybody will be able to make their points.

9.2 pm

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): It is a pleasure to follow the hon. Member for Amber Valley (Nigel Mills). He made a thoughtful and reflective speech, which, frankly, is in complete contrast to all the

[Stephen Twigg]

other speeches delivered from the Government Benches this afternoon. I was astonished by how relaxed the other Conservative and Liberal Democrat speakers were about the scale of the police cuts we are experiencing as a direct consequence of decisions made by this Government—by the Conservative party, which used to be described as the party of law and order, and the Liberal Democrats, who advocated extra police officers on top of the additional officers Labour introduced throughout our period in government.

Between 1997 and last year, there was an increase of 17,000 in police numbers, and at one stroke this Government are making a reduction of 12,000. There is a very significant difference between that and the reductions we propose and absolutely acknowledge need to be made, as referred to in our motion, and as my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper) made clear in her speech. The cuts under the 12% figure cited by Her Majesty's inspectorate of constabulary would be very different from those under the 20% figure that this Government are imposing on police forces up and down the country.

I want to be brief in order to enable other Members to speak, so I will focus my remarks on the situation in Merseyside. Merseyside has already cut 200 officers and another 80 police staff. The force had a moratorium on recruitment during the previous financial year, and that continues. As a consequence, it anticipates a further reduction in officer numbers of 200. In other words, one in 12 officers in Merseyside will be lost in the space of just two years, and for the remaining period of this Parliament the force anticipates a total loss of 880 police officers and 1,000 police staff. In other words, one in five officers will go. I know from my discussions with the chief constable, with other senior officers and with front-line staff at the police stations in my constituency that they are doing their utmost to protect the front line, but they have said that because of the cuts in Government funding, front-line services will now be looked at.

The Home Secretary said that local police forces had the option of increasing the council tax, and when I challenged her on whether she was advocating that, she was careful in her response. I wish to reiterate something that I have said in previous debates: the capacity of a local police force to secure additional funding by increasing the precept varies enormously from one police force to another. The key determinant of that variation is how deprived the local community is. Half of Surrey's funding for the police comes from central Government and half is raised locally, whereas 82% of Merseyside's police funding comes from central Government and only 18% is determined by local council tax. It does not take a mathematician to work out that the capacity of Merseyside police to raise additional funds locally is considerably less than that of the police in Surrey and in other parts of the country. The Merseyside force has made great strides in recent years in improving its efficiency and the quality of its service. That is why, although it is making efficiencies and will make further efficiencies, it is simply not going to be possible for it to balance its books without cuts in the front-line service.

I hope that the Minister will be able to say something about the importance of the work done by the safer schools partnerships and, in particular, by police working

in schools. The previous Government piloted this programme in 2002, when I was a Minister in the then Department for Education and Skills, and it was brought into the mainstream in 2006. I imagine that hon. Members on both sides of the House will have seen the very positive work done by police in schools, not only to tackle bullying but to ensure higher attendance levels and lower truancy rates in schools. Last year, "Robby the Bobby", who is based at Lower Lane police station and who serves the Croxteth and Norris Green communities in my constituency, received the Queen's police medal in the Queen's birthday honours list. I want to pay tribute to him because he does great work, and I have seen that work. More importantly, however, I cite him because the work done by police in schools is so important. I would like to hear a reassurance from this Government that the safer schools programme is one to which they have the same commitment as the previous Government had.

The Minister has responded to me on this point previously, but I ask him to respond again on the issue of the differential impact of police cuts on the poorest communities. I request him specifically to meet a Merseyside delegation of MPs and those from the police authority to discuss the issue, because we could make a real difference to the front-line service in Merseyside if we could reconsider the scale of the cuts and the unfairness involved in how they have a greater impact in a community such as mine than they do in a community such as the one that he represents.

The main focus of tonight's debate is on the fact that by going beyond the 12% figure that Her Majesty's inspectorate of constabulary has set out, the Government are endangering the quality of front-line policing in all our constituencies, no matter which part of the country we represent. For that reason, I urge the Government to think again.

9.8 pm

Mark Reckless (Rochester and Strood) (Con): First, I should declare an interest as a member of the Kent police authority. In that capacity, I get very frustrated about some of the numbers that the Opposition throw around. The shadow Home Secretary said that Kent's police force had said that it was going to cut more than 500 officers, but it has not said that. The projection, once made, of 500 was on the basis of an assumption that the cut in grant was going to be significantly worse than it actually turned out to be.

The hon. Member for Liverpool, West Derby (Stephen Twigg) set up this great contrast between the 12% cut that Labour is very happy about and the 20% cut that we are supposedly imposing, but he does not draw attention to two key differences between those figures. First, the 20% reduction is a real reduction rather than a cash reduction, so a two-year pay freeze accounts for a significant portion of it and helps to explain totally appropriate front-loading, because that is the period in which the pay freeze will take place. In addition, the 20% does not allow for a precept, and assumes that the precept falls as much as the central grant. If we take those two factors into account, the reduction in central Government grant represents a more generous settlement than the one that HMIC said it would be possible to deliver. That reflects the importance that we place on policing and on police numbers.

The motion is predicated on the assumption that there will be a cut of 12,000 in the number of police officers because that is the number that ACPO has put out. However, that number was put out before Tom Winsor's report was published. It is a very long report, and I look forward to reaching its conclusion over the recess, but I have read quite a lot of it already. Tom Winsor is saying that, even for 2012-13, on the basis of his recommendations, there will be a further £200 million of savings, over and above those that police authorities and chief constables have already been pushing towards. If we generously assume that there will be add-on costs of about £50,000 per police officer, that would give us enough money for 4,000 officers. If we implement what Tom Winsor suggests in his interim report, we would get the number down from 12,000 to 8,000.

That number will have to go through the national Police Negotiating Board, and there will doubtless be some pushback from the Police Federation and others, but in some areas Tom Winsor is actually being quite generous to the police in recognising the unique contribution that they make. The hon. Member for Birmingham, Selly Oak (Steve McCabe), who is no longer in his place, has suggested that 40% of officers would lose £4,000 on the basis of what Winsor has said, but that is quite wrong. Tom Winsor's point was that, back in 1978, under Lord Edmund-Davies, a 9% shift allowance for unsocial hours was incorporated into the standard police pay. Tom Winsor went on to say that, logically, we should therefore reduce by 9% the pay for the 43% of officers whose role did not require them to work unsocial hours. Rather than recommending that, however, he has now left them as they are and proposed an additional 10% shift allowance for hours worked between 8 pm and 6 am.

Another area in which Tom Winsor has been very generous to the police is that of the new expertise and professional accreditation allowance. Most police have been operating on the assumption that the special priority payments, which were introduced in 2003 and which have been quite divisive, would not be continued. If we take into account the additional allowance, which will be more costly than the special priority payments, we shall see a net increase in pay, even though most officers probably assumed that they would not get a special priority payment. Perhaps there will be a bit of give and take in the negotiations but, in those two areas in particular, Tom Winsor's proposals are more generous than many officers would have expected.

I should also like to touch on the ability of police forces to make savings. We also heard about this from my hon. Friend the Member for Carmarthen West and South Pembrokeshire (Simon Hart). Most organisations try to find savings and do things more efficiently year by year. In policing, however, there was an increase in grant every year from central Government. Police forces were able to increase their numbers, deal with particular issues and have more police tackling problem areas without having to find savings in other areas to fund those activities.

In Kent, we found a deputy chief constable who had been delivering a fantastic programme in Norfolk and finding very significant savings, all of which were able to be invested in the front line. Now, in tougher times, Kent is looking to strip out some of the inefficiencies. There might be too many people in central teams, or the intelligence area might be top heavy, so we will make

savings in those areas. We are also going to work with Essex to form a single major and organised crime division, which will bring together a lot of the specialist areas. That will enable us to iron out the peaks and troughs in demand and deliver at least as good a service using fewer officers.

When I first joined Kent police authority, I was concerned that we were not going out to find the savings and ask the difficult questions. Partly that is because police authorities are not elected, so there is no direct connection with the electorate that requires delivering the best possible policing while minimising the precepts. If one finds savings, asks difficult questions and tries to get the police to do things in a different way from the one they are used to, and which they perhaps prefer, that will always be quite difficult and with no direct electoral accountability, there is not necessarily the motivation to do that.

In my police authority, in the past year or two at least, people have worked very hard to find savings and it has one of the lowest precepts in the country. I believe that in many police authorities across the country that have had consistent grant increases year on year, there is scope to find savings and to work together much more. There is no justification for having 43 different IT systems. A large amount of the police budget is police pay, but that is partly because the police deliver almost everything themselves with a direct labour force. In many areas of the public sector, we have found significant savings through outsourcing. Cleveland police has a control centre run by the private sector—it is outsourced—but it is quite rare in policing to make those more radical changes to deliver things as cheaply and efficiently as one can by going outside the police service. A direct electoral mandate would press people to deliver policing as well as they could for as little as they could. There is significant scope for savings and I believe that reductions can be made while protecting the front line and delivering the police service that the country deserves.

9.16 pm

Jack Dromey (Birmingham, Erdington) (Lab): I pay tribute to our police service. It is quite remarkable how it has evolved over the years, learning sometimes difficult lessons of history from Scarman to Macpherson. Our Labour Government backed the police service and invested massively, with 17,000 more police officers and 16,000 police community support officers. An admirable model of community policing has led to a record fall in crime, and nowhere can that be seen better than in West Midlands police authority, under the leadership of Chief Constable Chris Sims.

I have seen at first hand just how effective our police service is. In Castle Vale, the neighbourhood tasking group deals with problems of antisocial behaviour and there is excellent dialogue between the police and the local community, so that the young kids now go and play in a park and the older residents, who were complaining, enjoy their environment. When there was an outbreak of robberies in shops in Stockland Green, the police mounted an excellent operation and effective intelligence led to the arrests of those responsible. When there were two terrible knife murders in my constituency, including that of one young man who died on his doorstep in the arms of his mother, a huge police operation, with support from the community, led to arrests.

[Jack Dromey]

The community values its community policing and there is complete dismay about the impact of the Government's cuts on our police service, not least because the first duty of any Government is to ensure the safety and security of our communities. It is therefore simply wrong for the Government to impose massive front-loaded cuts on the West Midlands police service that will lead to 2,400 people going, including 300 police officers who are going right now under regulation A19. It is absolutely wrong that the high-need, high-unemployment west midlands is being hit more than twice as hard as the leafy glades of Surrey and that Ministers pretend that there is no impact on front-line policing. Policing is about much more than just those who are out on the front line: the police team working together is key. Some of the earlier references to areas such as child protection, domestic violence and counter-terrorism involve a great deal of inter-agency collaboration and intelligence gathering.

Having said that, we need to move beyond the numbers—not just how many are going, but who they are and why they matter. Sergeant Dave Hewitt, 32 years a police officer, being forced out at the age of 48, is a neighbourhood sergeant with an excellent team of neighbourhood police officers making their local community a safer place to live. Is he or is he not a front-line officer? Police Constable Ian Rees, 34 years a police officer, being forced out at the age of 55, is a motorway specialist making our motorways in the midlands a safer place to drive. Is he or is he not a front-line police officer?

Detective Constable Tony Fisher, 33 years a police officer, being forced out at the age of 50, is a specialist in dealing with serious robbery. Only in the past couple of years, he mounted an exercise to track down the individual who was robbing pensioners at cash points and put that man away, and rightly so, for 13 years. He also tracked down the gang that used machetes to rob shops, with the leader of that gang going away for 17 years, and rightly so. The community is a safer place, thanks to him. Is he or is he not a front-line police officer?

Detective Constable Tim Kennedy, 31 years a police officer, is a specialist in serious acquisitive crime—burglaries and cars—with one of the best detection records anywhere in the midlands. Is he or is he not a front-line police officer? Inspector Mark Stokes, 33 years a police officer, is a specialist in designing out crime, with an outstanding track record. On the Four Towers estate in Birmingham, for example, there has been a 98% fall in what was a serious level of crime, thanks to the work that he has done. Is he or is he not vital to the front line?

I am grateful to the Home Secretary for agreeing earlier that she will meet these A19 officers. She will find that they are the best in Birmingham and Britain. They will be sadly missed by the communities that they have served so well over many years. It is wrong—plain wrong—for the Government to say to the men and women being forced out under A19, "Thanks for your past loyalty. Thanks for your outstanding service. Here is your notice." The Government have got to think again.

9.23 pm

Mark Pawsey (Rugby) (Con): Notwithstanding the remarks that we have just heard from the hon. Member for Birmingham, Erdington (Jack Dromey), the Opposition, whose motion we are debating this evening, know that it

is not possible to have any discussion about any public sector service without having some regard to the national economic context. Colleagues on the Government Benches have mentioned the £120 million a day that the Government are spending on interest, which puts into context the £35 million a day that we are currently spending on policing, the matter under debate. All sectors of public service must be subject to review, and no sector can be immune. Policing must play its part.

It is entirely appropriate that cost reduction should be accompanied by Government reform of the public services. No sector should be immune from the need to reform, and policing must play its part. I therefore reject the proposition in the Opposition motion that does nothing other than criticise the steps that the Government have taken. It offers no alternative proposal. The motion is completely silent on what the Opposition would do to make policing play its part in reducing the burden of public expenditure or reforms to the service. We might therefore assume that the Opposition are happy to carry on spending as they were before and make no change to public service, but we would be wrong, because the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper) has said that all departments, police included, would need "to make savings". The former Home Secretary, the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson), has said that Labour in government would have cut spending and reduced police numbers.

What are the Government actually doing? They are making the police accountable to their communities, cutting increasing costs, removing targets and paperwork and, critically, restoring to police officers the discretion they once had. In my constituency of Rugby we are governed by Warwickshire police, a force in which, notwithstanding the Opposition's remarks, police numbers fell between 2004 and 2009, so there have not been massive increases in police numbers under the Labour Government. Warwickshire police are currently vacating an expensive and unnecessary force headquarters to save costs, and the chief constable is doing the right thing by focusing on public protection, providing service to the community and increasing productivity on the front line.

One of the reasons I was keen to speak in the debate is that my brother is a sergeant in Warwickshire police with more than 20 years' service. We often get together and speak about our respective roles. He tells me how he and his colleagues were frustrated by the previous Government's tick-box approach and the massive increase in paperwork and bureaucracy that resulted in their spending less time on patrol than they did filling in forms. They were not doing what they had been trained to do—to protect the public. As a parliamentary candidate, I spent a Friday night accompanying an officer on patrol and saw just how much paperwork he had to complete.

The police look forward to many of the Government's proposals and reforms, in particular the one to get rid of the stop and encounter form. Officers appreciate that services must accept some of the reduction in expenditure and in the cost burden of the public sector. There are three significant issues that they are having to deal with. First, the restructuring in costs will lead to fewer people being able to support them in the back office and the pay freeze. Secondly, the provisions of the Winsor report,

to which my hon. Friend the Member for Rochester and Strood (Mark Reckless) has just referred, will change the way they operate and the structure of their pay. Thirdly, over and above those effects officers will also be affected by the Hutton report, which in time will lead to less generous pension provision. I must tell the Home Secretary and the policing Minister that the combination of those three factors means that the morale of our officers is lower than it has been for some time. They understand the need for change, but they feel that they are burdened by those three changes all coming along at one time.

I was delighted to hear the Home Secretary acknowledge in her opening remarks that we have the finest police service in the world. I hope that the Minister, in summing up, will express the regard in which the public hold the police, who are doing a difficult job at a difficult time. I hope that he will provide some reassurance to officers who are committed to service, such as my brother and his colleagues, that their commitment will be recognised. I hope that he will ensure that those officers who work hard and from time to time put themselves on the line can feel positive about the valuable role they play and can focus on the key task of protecting the public.

In conclusion, the Government are right to be taking their current action on policing. It represents just one of a series of very difficult decisions that they have been obliged to take over the past 11 months, all of which in the long term will provide better and more efficient services to the public of this country.

9.29 pm

Keith Vaz (Leicester East) (Lab): It is a pleasure to follow the hon. Member for Rugby (Mark Pawsey), who spoke about not only his constituency's interest in the debate, but that of his family. He can report back to his brother that he was able to raise those concerns in such a debate.

It is commendable that both the Home Secretary and the shadow Home Secretary have sat through the entire debate, the feature of which is that Members on both sides have talked about not just the headline figures, but policing in their constituencies. On balance, Opposition Members have said that the cuts are going to affect policing negatively, and Government Members have said that the cuts are required to some extent because they can make the police more accountable, transparent and efficient.

In four weeks' time, the right hon. Lady will celebrate her year in office as the first Conservative Home Secretary in 13 years. She has got used to the fact that when she enters the Chamber for policing debates, she does not get a standing ovation, but importantly we have heard what the Government propose to do and what the Opposition have said they would do in similar circumstances.

The Home Affairs Committee produced a report on police finances, and it was unanimous. The hon. Member for Rochester and Strood (Mark Reckless) is our resident expert on policing matters along with my right hon. Friend the Member for Cardiff South and Penarth (Alun Michael), and the Committee concluded that there would be significantly fewer police service staff once the proposals were implemented. That is certainly backed up by all the other stakeholder organisations—be they ACPO, the Police Federation or other organisations

that have commented on the matter. The key test for the Government is whether having fewer staff will make the police force more efficient.

I do not deny any incoming Government the right to put forward proposals to the British people and a scheme that they say will provide a better service for less money, but it will be some time before we find out what those key indicators are. As several Members have pointed out, crime is at a record low, and the question is, once the proposals are implemented, whether crime will rise. That is the challenge for this Government.

We also know that the Government's proposals have still not been completed. There is an ambitious target not just on police finances, but on the new landscape of policing, and the election of police commissioners will have an impact on how policing operates—everyone accepts that it will. The new landscape will result in the abolition of the Serious Organised Crime Agency and the National Policing Improvement Agency, and the Home Affairs Committee is just about to undertake an inquiry into the likely new landscape.

I think that we will have to return to the subject once the Government have completed their template. As I have said, it is absolutely the right of an incoming Government to say that they propose to use taxpayers' money in a way that will make the service more efficient, but my concern is that the template is not complete and, to some extent, the proposed cuts—or reductions, if we like to use that word—are a work in progress. We will not know the full effects until the rest of the landscape has been completed.

What the Government are doing on procurement and on the reduction in bureaucracy is excellent. The Home Secretary says that she has taken on board Jan Berry's recommendations and appointed Chris Sims to take the matter forward, and that is a continuation of what the previous Government did. I see the previous Policing Minister, my right hon. Friend the Member for Delyn (Mr Hanson), is present, and whenever he got to the Dispatch Box when Labour was in government, he talked about cutting red tape. We on the Select Committee hope to look at Jan Berry's recommendations to see whether they have been implemented and whether red tape has been cut.

Tomorrow, as the Home Secretary knows, we have the new permanent secretary at the Home Office before the Committee. It is of course important to save money on procurement and I would like to have seen more done under the previous Government to bring procurement under much greater central control. The right hon. Lady talked about local decision making, but I understand that vehicles are now the subject of central planning, so the Home Office is saying, "You can buy these vehicles, because this is the best possible deal that we have been able to make." If that can be done with vehicles, why not mobile phones or all other aspects of procurement? Of course we would like to see local police forces collaborate—the hon. Member for Rochester and Strood reminded me that a conference on procurement is coming up in the near future, co-sponsored by Essex and Kent police authorities—and we want local decision making, but I cannot understand why the Home Office does not produce a procurement catalogue that has the best possible prices available and encourage all local police forces to buy from it. That is something that we will have to look forward to in future.

[Keith Vaz]

My final point, which my hon. Friend the Member for Mitcham and Morden (Siobhain McDonagh) made better than anyone else, is that we need to stop consulting only chief constables about what is happening. The people who really matter are the public. In his recent speech to the Institute for Public Policy Research, the Minister for Policing and Criminal Justice rejected the idea of a royal commission on policing, citing Harold Wilson's comment that royal commissions take minutes to set up but years to report. We do not need to wait years to hear about the expectations of the public, who must be consulted.

The Select Committee intends to consult the public in an online poll on the five key things that they want police officers and the police force to do. Once we have those conclusions, I hope that they will feed into the Government's thinking on how the new landscape operates. Without consulting the public on their expectations, there is no point in having this debate. The chief constables have a vested interest—they want to protect their budgets. Police authorities want things to stay as they are, and everyone else involved has, to some extent, the same interest. However, it is the public to whom we are accountable on policing, and therefore, in the end, it is the public to whom we have to listen.

9.36 pm

Vernon Coaker (Gedling) (Lab): I join the Home Secretary in the tribute that she paid to the police for their hard work and courage, which we have seen, tragically, over the past couple of days.

This debate takes place at a time when the police feel undervalued and under attack by this Government. Let me start by laying out a few facts. There is a 20% cut from central Government, with the highest percentage of that cut falling in the first two years, and the Government implementing it with no real definition of the front line. That will mean the loss of over 12,000 police officers. In every region of England and Wales, police officers and staff will be lost in every community. This means the loss of over 15,000 police staff—again, right across our country in every single community. As we heard so eloquently from my hon. Friend the Member for Birmingham, Erdington (Jack Dromey), it also means the loss of over 2,000 of the most experienced officers.

These officers are not going because chief officers want them to go—they are being forced to go because of the need to cut costs. The functions of most of these officers are not in the back office but on the front line. Front-line detectives are gone, with one detective saying "I don't want to go and I'm absolutely gutted." Front-line response officers are gone, along with neighbourhood sergeants, one commenting that the claim that cuts would not affect the front line was absolute rubbish. Firearms officers are gone from the front line, along with crime reduction officers and public order officers—and so the list goes on. These are just some of the front-line posts lost because of the cuts.

To listen to the Home Secretary, one would think that there is no impact on police officers—that there are no cuts on the front line—but her case is completely undermined by last week's report by Her Majesty's inspectorate of constabulary, which showed that 95% of police officers and police community support officers

did not work in the back office, with only 5% doing so. [Interruption.] The Minister for Policing and Criminal Justice scoffs, but I refer him to page 4 of the report, which shows clearly that the percentage of officers and PCSOs who are in the back office is 5%. If he wants to take issue with that, he must take issue with HMIC. That figure drives a coach and horses through the Home Office's justification for its proposals. The proposals were undermined by Sir Denis O'Connor, the chief inspector of constabulary, who said that it would be difficult to protect the front line. The Government plough on regardless, oblivious to the growing chorus of anxiety and deaf to those who are expressing increasing concern and alarm. "We know best," is the motto of the Home Secretary and the Minister for Policing and Criminal Justice.

My right hon. and hon. Friends have pointed out the impact of the police cuts across the country. My right hon. Friend the Member for Cardiff South and Penarth (Alun Michael) praised the work of specialist officers, but pointed out the threat to the reduction in violent crime. My hon. Friend the Member for Sunderland Central (Julie Elliott) spoke about the impact on Northumbria, where there is a 41% cut in police staff. My hon. Friend the Member for Hyndburn (Graham Jones) pointed out the cuts to hundreds of police officers and police staff in the Lancashire constabulary. My hon. Friend the Member for Mitcham and Morden (Siobhain McDonagh) pointed out the importance of the introduction of neighbourhood policing and safer neighbourhood teams, which was one of the successes of the previous Government. The budgets pose a threat to those teams. My hon. Friend the Member for Liverpool, West Derby (Stephen Twigg) spoke about the impact of the cuts on Merseyside, where one in five officers is to go. My right hon. Friend the Member for Leicester East (Keith Vaz) said that the jury is out on the current proposals. He was right to point out that crime is at a record low, but the question is whether it will keep falling. At a time when crime is at a record low, all this is put at risk.

As the chief constable of South Yorkshire police, Meredydd Hughes, warned in a paper to his police authority, front-line posts and specialist officers will be lost, and there will be real risks to crime levels. He said:

"A reduction in back office support will put an increased burden on operational officers detracting them from front-line duties."

No doubt the Government will say, as they do when anybody disagrees with them, that he is just wrong. Well, I know Meredydd Hughes and he is an excellent chief constable. He should be listened to and not dismissed. It is not just one chief constable. The chief constable of Lancashire police, Steve Finnigan, said on the "Today" programme last week, in answer to whether he would have to reduce front-line policing to meet the Government's budget cuts, "I absolutely am."

Of course, the protection of the front line is made so much more difficult by the loss of police staff. Who will do the necessary administrative tasks? Who will do the necessary probation work or the court reports? We have seen examples across the country of officers being needed to do such tasks and being pulled away from the public and the front line. No reorganisation on this scale will protect the front line. We have already seen

that in Warwickshire. Reflecting on the job losses in his area, Ian Francis, the chair of Warwickshire police authority, said:

"The simple matter is yes, we are going to lose policemen from the front-line."

The Police Federation, the Police Superintendents Association, chief officers and police authorities have all warned of the consequences of this Budget settlement. However, as with so many of their so-called reforms, the Government say that they know best. They believe that they know what is right and that they have to drive through all those who stand in the way of this so-called progress. Last week, the Minister for Policing and Criminal Justice called those who oppose the Government's accountability changes and other reforms elitist. Well, I say that the Government are elitist in their flagrant disregard for anyone who disagrees with them and anyone who stands in their way. The police and the public are deeply worried by the cuts to policing.

No one in this House of Commons, as far as I am aware, stood on a platform of having fewer police officers. The Liberals promised 3,000 more police officers—yet another broken promise. Individual Tory MPs up and down the country demanded more police officers. Tory MPs need to be sure what they are voting for, and so do Liberal Democrats.

I say to the hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart) that 250 personnel will be gone in his police area. He should put that on the leaflet in the local election campaign. In Carshalton and Wallington, police officers and staff are going—that should be on the next Liberal Democrat "Focus" leaflet. In Reading West, 256 officers and 564 staff are going at Thames Valley police—its Member should put that on the next leaflet and say it is down to efficiency. Although the hon. Member for Amber Valley (Nigel Mills) was more reasonable than others, he will still have to put on his election leaflets for the Amber Valley borough council election why he justifies 290 police officers and staff going in the area. I tell you what, Mr Speaker—I bet not many of them do put that on their leaflets.

Up and down the country, people are watching—[*Interruption.*] The Home Secretary should listen to this. People are watching a Tory-led Government cutting police numbers and crime prevention projects. They are looking at a Tory-led Government who cannot find money for the police but can find millions of pounds extra for a democratic experiment in electing police and crime commissioners that nobody wants and for which the Minister for Policing and Criminal Justice has yet to produce one shred of evidence. [*Interruption.*] Are you enjoying this? The Government were so embarrassed that the responses to the consultation paper commissioned to show how many people were in favour of elected commissioners were not published. Shall I tell the House why? Because of the 900 people asked, so few were in favour that the Government were embarrassed to publish the responses.

The cuts to the police budget are too fast and too deep. The Home Secretary and the Prime Minister need to think again. They need to put aside ideology, listen to the many voices of concern and change course. The Government are looking to cut costs, but it is communities up and down the country that will pay the price of an arrogant Government failing to stand up for policing and failing to stand up for the police.

9.46 pm

The Minister for Policing and Criminal Justice (Nick Herbert): First, I join other hon. Members including the shadow Police Minister in paying tribute to the police for the job that they do for the whole country in every constituency, particularly at this time when, as the House did earlier, we remember PC Ronan Kerr, who tragically lost his life serving the Police Service of Northern Ireland.

We should always value the work that the police do and remember that they do a difficult and dangerous job, but none of that means that we can avoid the decisions that have been forced upon us by the need to deal with the deficit. My first point to Opposition Members is that they are silent about the savings that can be driven by police forces working together and individually that reach beyond the savings identified in the HMIC report. That report stated that savings of more than £1 billion a year were possible while front-line services were protected. It did not examine the potential savings that could be made through, for instance, police forces working together to procure goods and equipment—some £350 million on top of that figure.

As my right hon. Friend the Home Secretary pointed out, there are 2,000 different IT systems in our forces, employing 5,000 staff. I welcome the comment of the Chairman of the Home Affairs Committee, the right hon. Member for Leicester East (Keith Vaz), that we were right to examine such procurement. He should know, and I know he does, that we have already laid regulations to drive collective procurement by forces to save money.

I repeat for the benefit of the Opposition, who have not heard or understood the point, that those savings are in addition to those identified by the inspectorate, and that they can be made by police forces working more effectively together. The right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper) criticised that approach when my right hon. Friend the Home Secretary talked about it earlier. Do the Opposition Front Benchers not support that collective approach to procuring goods and equipment, and why did they not take it in their 13 years in government?

Let us examine another matter on which the Opposition are completely silent, which is the proposed savings that we have set out in relation to pay. Any organisation in which three quarters of the costs rest in the pay bill has to look to control that bill when resources are tight. That is the responsible thing to do. That is why we have said that, in common with other public services, we expect the police to be subject to a two-year pay freeze. My hon. Friend the Member for Rochester and Strood (Mark Reckless) was right that that directly answers the point about the savings that we require forces to make being higher in the first and second years than in the third and the fourth. In those years, we propose that another £350 million should be saved through the pay freeze. Here is a question for the Opposition: do they support that pay freeze? If not, they would put more jobs at risk in policing. They are adopting an irresponsible approach.

What about the Winsor savings? Police officers should know that it is proposed to plough back the majority of the savings that Tom Winsor identified in his report on pay and conditions into new allowances to reward

[Nick Herbert]

front-line service and specialist skills. We will consider those matters carefully in the recommendations of the Police Negotiating Board. Do the Opposition back those savings, for which police forces have not budgeted at the moment? Do they support those proposals in the Winsor review? Again, we do not know because the Opposition are silent on the matter.

Let me explain for the benefit of the Opposition that the total effect of the savings of more than £500 million, on top of the savings that HMIC identified, add up to 10,000 officers. In opposing the pay reforms, the Opposition put those 10,000 jobs at risk. That is why their position is untenable.

Several hon. Members mentioned the front line. Of course, it includes not only visible policing but investigative units. However, the Opposition have again completely missed the point. The hon. Member for Gedling (Vernon Coaker) shouts "smoke and mirrors" from a sedentary position, but he uses a fair bit himself when he claims that 5% of officers are in the back office. Does he expect officers to do IT and payroll? Those are back-office functions. The inspectorate says, "Look at the back and middle offices—the support functions—not the front line." How many police officers does the hon. Gentleman think are serving in the back and middle office? The same report tells him—I assume that he has read it. A fifth of officers and PCSOs are in the back and middle office. In case he cannot do the maths, that means that 30,000 police officers are not working on the front line, and we should begin looking for savings in the back and middle office so that we can protect front-line services.

The Opposition mentioned Northumbria police and claimed that there would be an impact on front-line services. Chief Constable Sue Sim said:

"I am absolutely committed to maintaining frontline policing and the services we offer to our communities."

Every chief constable is saying the same. They are committed to doing everything they can to maintain front-line services.

As the chief inspector of constabulary said, we must consider a total redesign of the way in which policing is delivered in this country. We must look at forces sharing services and collaborating. We must consider radical solutions, which will enable a better service to be delivered. Is the Labour party in favour of police forces outsourcing their services to the private sector? That is another matter on which it is silent. Some forces have contracted out their control rooms and their custody suites. Those are defined as being in the so-called front line. Is the Labour party in favour of those cost-saving measures? There is deafening silence from the Opposition when they are faced with difficult questions about how to drive value for money.

There is silence again about bureaucracy. The Opposition spent 13 years tying up our police officers in red tape. All the shadow Chancellor could say about that when he was shadow Home Secretary is that he did not think it mattered that officers spent more time on paperwork than on patrol. Let me say to the Opposition that the Government think it does matter and we are determined to reduce red tape and improve productivity on the front line because we want police officers to be crime fighters, not form writers.

Let us look at another matter in which the Opposition seem simply uninterested: how resources are deployed. Labour is only ever interested in how much money is spent rather than in how well it is spent. Why, therefore, do Labour Members have not the slightest interest in the fact that officer visibility and availability in the best-performing forces are twice those of the poorest-performing forces within the existing resource? Apparently, they are not interested in that. Government Members have consistently made the point that, even as resources contract and even as forces find savings, they can and should prioritise visible and available policing, and good forces are doing so.

As we have heard from my hon. Friends, Kent is increasing numbers in neighbourhood policing teams, as is Gloucestershire, and Staffordshire is protecting them.

Yvette Cooper: The Minister says that good police forces are doing all the things he wants, but what does he say about the Warwickshire, South Yorkshire and Merseyside police forces, and all forces that are being forced to take police officers off the front line? Does he think that those chief constables are doing a bad job?

Nick Herbert: The right hon. Lady just does not get it, does she? She does not understand the difference between how much is spent and the service that we get at the other end, because Labour measures the value of every public service by how much is being spent on it.

Let me tell the right hon. Lady what the South Yorkshire chief constable said in January this year. He said that

"the reduced level of government funding announced late last year was expected and I'm confident that our service to the public won't necessarily decline over the next two years."

Let us look at the sums. Labour Members always say that there will be 20% cuts in budgets.

Yvette Cooper: Will the Minister give way?

Nick Herbert: I shall make a little more progress, and then give way.

The Labour party says that there will be 20% cuts in budgets—that is the language that Labour Members always use—but there will not be. No force will have a 20% cut in its budget, because forces raise money from their precept. Assuming reasonable rises in precept over the next four years, the cash reduction is 6%. Provided that forces do the right things, that is challenging but nevertheless deliverable.

Yvette Cooper: The Minister again says that some police forces are doing the right thing, and some the wrong thing. He referred to Chief Constable Meredydd Hughes of South Yorkshire police, who said this week:

"We will be unable to continue to provide the same level of service we do today in such areas like neighbourhood policing" and diversionary and problem-solving activities. He also said:

"A reduction in back office support will put an increased burden on operational officers detracting them from frontline duties."

Is the South Yorkshire chief constable right or wrong?

Nick Herbert: It is the same tired stuff from the shadow Home Secretary, reading out local press cuttings from around the country. She should reflect on the fact that police officer numbers were falling under the previous Government by the time we got to the election. In their last year in office, officer numbers fell in 27 forces across England and Wales—did we hear a squeak from them about that?—and officer numbers fell in 13 police forces in the five years before 2009.

This is what the public need to know about Labour. It would cut police budgets by £1.5 billion—we heard that this evening—and yet Labour Members pretend that that would not mean fewer officers and staff. When asked in the election campaign, Labour refused to guarantee police numbers, yet Labour Members criticise the fall in numbers now. Labour Members say that cuts are too deep and front-loaded, yet they would be cutting £9 for every £10 we will cut next year; they claim that police and crime commissioners would cost too much, but their model would cost more; and they call Opposition debates and run their cynical campaigns, but they—

Ms Rosie Winterton (Doncaster Central) (Lab) claimed to move the closure (*Standing Order No. 36*).

Question put forthwith, That the Question be now put.

Question agreed to.

Question put accordingly (Standing Order No. 31(2)). That the original words stand part of the Question.

The House divided: Ayes 210, Noes 289.

Division No. 252]

[9.59 pm

AYES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Bleas, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Brennan, Kevin
Brown, rh Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Campbell, Mr Alan
Campbell, Mr Ronnie
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Colley, Ann
Connelly, Michael
Cooper, Rosie
Cooper, rh Yvette
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
David, Mr Wayne
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dodds, rh Mr Nigel
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natalasha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank

Fitzpatrick, Jim
Fiello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glendon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Green, Kate
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jowell, rh Tessa
Joyce, Eric
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elyfn
Love, Mr Andrew
Lucas, Ian
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGuire, rh Mrs Anne
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian

Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Morrice, Graeme (*Livingston*)
Morris, Grahame M.
(*Easington*)
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
Onwurah, Chi
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Ayes:

Phil Wilson and
Lilian Greenwood

NOES

Adams, Nigel
 Afriye, Adam
 Aldous, Peter
 Amess, Mr David
 Bacon, Mr Richard
 Bagshawe, Ms Louise
 Baker, Norman
 Baker, Steve
 Baldry, Tony
 Baldwin, Harriett
 Barclay, Stephen
 Baron, Mr John
 Barwell, Gavin
 Bebb, Guto
 Beith, rh Sir Alan
 Bellingham, Mr Henry
 Beresford, Sir Paul
 Berry, Jake
 Bingham, Andrew
 Binley, Mr Brian
 Blackman, Bob
 Blackwood, Nicola
 Blunt, Mr Crispin
 Boles, Nick
 Bone, Mr Peter
 Bradley, Karen
 Brady, Mr Graham
 Brake, Tom
 Bray, Angie
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Mr Steve
 Brokenshire, James
 Brooke, Annette
 Bruce, Fiona
 Bruce, rh Malcolm
 Buckland, Mr Robert
 Burley, Mr Aidan
 Burns, Conor
 Burns, rh Mr Simon
 Burrows, Mr David
 Byles, Dan
 Campbell, rh Sir Menzies
 Carmichael, rh Mr Alistair
 Carmichael, Neil
 Carswell, Mr Douglas
 Cash, Mr William
 Chishtii, Rehman
 Chope, Mr Christopher
 Clark, rh Greg
 Clarke, rh Mr Kenneth
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Cox, Mr Geoffrey
 Crabb, Stephen
 Crouch, Tracey
 Davey, Mr Edward
 Davies, Glyn
 Davis, rh Mr David
 de Bois, Nick
 Dinenage, Caroline
 Djanogly, Mr Jonathan
 Dorrell, rh Mr Stephen
 Doyle-Price, Jackie
 Drax, Richard
 Duddridge, James
 Duncan, rh Mr Alan
 Duncan Smith, rh Mr Iain
 Ellis, Michael

Ellison, Jane
 Ellwood, Mr Tobias
 Elphicke, Charlie
 Eustice, George
 Evans, Graham
 Evans, Jonathan
 Evennett, Mr David
 Fabricant, Michael
 Farron, Tim
 Featherstone, Lynne
 Field, Mr Mark
 Foster, rh Mr Don
 Fox, rh Dr Liam
 Francois, rh Mr Mark
 Freeman, George
 Freer, Mike
 Fuller, Richard
 Gale, Mr Roger
 Garnier, Mr Edward
 Garnier, Mark
 Gauke, Mr David
 George, Andrew
 Gibb, Mr Nick
 Gilbert, Stephen
 Goldsmith, Zac
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Gray, Mr James
 Grayling, rh Chris
 Green, Damian
 Greening, Justine
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, Ben
 Gyimah, Mr Sam
 Hague, rh Mr William
 Halfon, Robert
 Hames, Duncan
 Hammond, rh Mr Philip
 Hammond, Stephen
 Hancock, Matthew
 Hancock, Mr Mike
 Hands, Greg
 Harper, Mr Mark
 Harris, Rebecca
 Hart, Simon
 Harvey, Nick
 Haselhurst, rh Sir Alan
 Hayes, Mr John
 Heald, Mr Oliver
 Heath, Mr David
 Heaton-Harris, Chris
 Hemming, John
 Henderson, Gordon
 Hendry, Charles
 Herbert, rh Nick
 Hinds, Damian
 Hoban, Mr Mark
 Hollingbery, George
 Hollobone, Mr Philip
 Hopkins, Kris
 Horwood, Martin
 Howarth, Mr Gerald
 Howell, John
 Huppert, Dr Julian
 Hurd, Mr Nick
 Jackson, Mr Stewart
 James, Margot
 Javid, Sajid

Jenkin, Mr Bernard
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kelly, Chris
 Kennedy, rh Mr Charles
 Kirby, Simon
 Kwarteng, Kwasi
 Lancaster, Mark
 Latham, Pauline
 Laws, rh Mr David
 Leadsom, Andrea
 Lee, Jessica
 Lee, Dr Phillip
 Leech, Mr John
 Lefroy, Jeremy
 Leigh, Mr Edward
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, Dr Julian
 Liddell-Grainger, Mr Ian
 Lilley, rh Mr Peter
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Luff, Peter
 Lumley, Karen
 Macleod, Mary
 Main, Mrs Anne
 May, rh Mrs Theresa
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McIntosh, Miss Anne
 McLoughlin, rh Mr Patrick
 McPartland, Stephen
 McVey, Esther
 Menzies, Mark
 Mercer, Patrick
 Metcalfe, Stephen
 Miller, Maria
 Mills, Nigel
 Mitchell, rh Mr Andrew
 Moore, rh Michael
 Morgan, Nicky
 Morris, Anne Marie
 Morris, James
 Mosley, Stephen
 Mowat, David
 Mulholland, Greg
 Munt, Tessa
 Morrison, Dr Andrew
 Neill, Robert
 Newmark, Mr Brooks
 Newton, Sarah
 Nokes, Caroline
 Nuttall, Mr David
 Offord, Mr Matthew
 Ollerenshaw, Eric
 Paice, rh Mr James
 Parish, Neil
 Patel, Priti
 Pawsey, Mark
 Perry, Claire
 Phillips, Stephen
 Pickles, rh Mr Eric
 Pincher, Christopher
 Poulter, Dr Daniel

Prisk, Mr Mark
 Pugh, John
 Raab, Mr Dominic
 Randall, rh Mr John
 Reckless, Mark
 Redwood, rh Mr John
 Rees-Mogg, Jacob
 Reeve, Simon
 Robathan, rh Mr Andrew
 Robertson, Mr Laurence
 Rogerson, Dan
 Rosindell, Andrew
 Rudd, Amber
 Ruffley, Mr David
 Rutley, David
 Sanders, Mr Adrian
 Sandys, Laura
 Scott, Mr Lee
 Selous, Andrew
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simmonds, Mark
 Simpson, Mr Keith
 Skidmore, Chris
 Smith, Miss Chloe
 Smith, Henry
 Smith, Julian
 Smith, Sir Robert
 Soames, Nicholas
 Soubry, Anna
 Spelman, rh Mrs Caroline
 Spencer, Mr Mark
 Stanley, rh Sir John
 Stephenson, Andrew
 Stevenson, John
 Stewart, Iain
 Stride, Mel
 Stunell, Andrew
 Swales, Ian
 Swayne, Mr Desmond
 Swinson, Jo
 Syms, Mr Robert
 Teather, Sarah
 Timpson, Mr Edward
 Tomlinson, Justin
 Truss, Elizabeth
 Turner, Mr Andrew
 Tyrie, Mr Andrew
 Uppal, Paul
 Vaizey, Mr Edward
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Robin
 Wallace, Mr Ben
 Walter, Mr Robert
 Ward, Mr David
 Watkinson, Angela
 Weatherley, Mike
 Webb, Steve
 Wharton, James
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, Mr John
 Wiggin, Bill
 Willets, rh Mr David
 Williams, Roger
 Williams, Stephen
 Williamson, Gavin
 Willott, Jenny
 Wilson, Mr Rob

Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mr Philip Dunne and
Mark Hunter

Question accordingly negated.

Question put forthwith (Standing Order No. 31(2)).
That the proposed words be there added.

The House divided: Ayes 282, Noes 209.

Division No. 253]

[10.15 pm

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Byles, Dan
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Cox, Mr Geoffrey

Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, Glyn
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harris, Rebecca

Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Metcalfe, Stephen
Miller, Maria

Mills, Nigel
Mitchell, rh Mr Andrew
Moore, rh Michael
Morgan, Nicky
Morris, Anne Marie
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Munt, Tessa
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Robathan, rh Mr Andrew
Robertson, Mr Laurence
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stride, Mel
Stunell, Andrew
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Syms, Mr Robert
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew

Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris

Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Mr Philip Dunne and
Mark Hunter

NOES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Bleas, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Brennan, Kevin
Brown, rh Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Campbell, Mr Alan
Campbell, Mr Ronnie
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
David, Mr Wayne

De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dodds, rh Mr Nigel
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Ffello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gillmore, Sheila
Glass, Pat
Glendon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Green, Kate
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram

Irranca-Davies, Huw
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jowell, rh Tessa
Joyce, Eric
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elyn
Love, Mr Andrew
Lucas, Ian
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGuire, rh Mrs Anne
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Meams, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Morrice, Graeme (*Livingston*)
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
Onwurah, Chi
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget

Pound, Stephen
Raynford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seaback, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Phil Wilson and
Lilian Greenwood

Question accordingly agreed to.

The Speaker declared the Main question, as amended, to be agreed to (Standing Order No. 31(2)).

Resolved,

That this House welcomes the Government's comprehensive proposals to cut crime and increase the democratic accountability of policing while dealing with the largest peacetime deficit in history; supports the Government's determination to help the police make savings to protect frontline services; congratulates the police forces that are increasing the number of officers visible and available to the public; notes that the Opposition's spending plans require reductions in police spending; and regrets its refusal to support sensible savings or to set out an alternative.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)).

LEGAL SERVICES

That the draft Legal Services Act 2007 (Approved Regulators) Order 2011, which was laid before this House on 14 March, be approved.—(*Mr Newmark.*)

Question agreed to.

Bradley Manning

Motion made, and Question proposed, That this House do now adjourn.—(Mr Newmark.)

10.26 pm

Ann Clwyd (Cynon Valley) (Lab): I am pleased to have the opportunity to debate this issue, because it is important that the case is raised here in the House of Commons. I want to talk about the treatment of Bradley Manning. An early-day motion on this subject—early-day motion 1624—stands in my name and is currently supported by 37 right hon. and hon. Members, and I hope that others will add their names.

I wish to speak this evening in terms very similar terms to those of the early-day motion, which reads as follows:

"That this House expresses great concern at the treatment of Private First Class Bradley Manning, currently detained at the US Quantico Marine Base; notes the increasing level of interest and concern in the case in the UK and in particular in Wales; appeals to the US administration to ensure that his detention conditions are humane; and calls on the UK Government to raise the case with the US administration."

That is what I want to expand on in this short debate. I want to explain why I am so concerned about Bradley Manning's case and why others should be too, and I want to ask the Minister to undertake to raise the case with the US Administration.

Bradley Manning is the US soldier imprisoned at the US marine base at Quantico, Virginia. He is accused of being the person responsible for the leaking of the US Government information—about Iraq and about Afghanistan, and from US embassies around the world—that was released into the public domain through the website WikiLeaks. Bradley Manning is a serving member of the US armed forces and he is detained in a military prison. It is important for us to note that he has yet to be convicted of any offence—I am not sure whether there is a confirmed trial date, but I understand that it will not be until May or June.

Like me, the Minister will want to be careful about describing the actions of which Bradley Manning is accused, because we have yet to have Bradley's account and he has still to have that account considered by a court. That is why I do not want us to get drawn into a discussion of the rights and wrongs of the WikiLeaks revelations. However, I would like to concentrate on the current conditions of detention for Bradley Manning. I have read the several accounts of Bradley's treatment which have appeared in the press. Some very good accounts that have appeared in *The Guardian* have come from David Leigh, in particular, but the one that I paid most attention to was the one from Bradley himself. On 10 March, in an 11-page memorandum from Bradley Manning to the commanding officer of the Quantico marine base, issued through his lawyer, Bradley Manning described for us the conditions of his detention. This is what he said:

"Since 2 March 2011, I have been stripped of all my clothing at night. I have been told that the PCF commander intends on continuing this practice indefinitely. Initially, after surrendering my clothing to the brig guards, I had no choice but to lay naked in my cold jail cell until the following morning. The next morning I was told to get out of my bed for the morning duty brig supervisor (DBS) inspection. I was not given any of my clothing back. I got out of the bed and immediately started to shiver because of how cold it was in my cell. I walked towards the front of my cell with

[Ann Clwyd]

my hands covering my genitals. The guard told me to stand at parade rest, which required me to stand with my hands behind my back and my legs spaced shoulder width apart. I stood at 'parade rest' for about three minutes until the DBS arrived. Once the DBS arrived, everyone was called to attention. The DBS and the other guards walked past my cell. The DBS looked at me, paused for a moment, and then continued to the next detainee's cell. I was incredibly embarrassed at having all these people stare at me naked. After the DBS completed his inspection, I was told to go and sit on my bed. About 10 minutes later I was given my clothes and allowed to get dressed... Under my current restrictions, in addition to being stripped at night, I am essentially held in solitary confinement. For 23 hours per day, I sit alone in my cell. The guards check on me every five minutes during the day by asking me if I am OK. I am required to respond in some affirmative manner."

Jim Shannon (Strangford) (DUP): Will the right hon. Lady give way?

Ann Clwyd: I have very little time, but yes, I will.

Jim Shannon: Is the right hon. Lady aware of when the trial will take place?

Ann Clwyd: No, I do not yet know that, but I think that it will be in a couple of months' time.

Bradley Manning's account continued:

"At night, if the guards cannot see me clearly, because I have a blanket over my head or I am curled up towards the wall, they will wake me in order to ensure that I am OK... I am prevented from exercising in my cell. If I attempt to do push-ups, sit-ups, or any other form of exercise I am forced to stop. Finally, I receive only one hour of exercise outside of my cell daily. My exercise is usually limited to me walking figures of eight in an empty room."

We also learn from this memorandum, issued through his lawyer, that his treatment ignores the repeated recommendations of the Marine Corps' own appointed psychiatrists. They repeatedly say that Bradley Manning's detention status should be changed. That treatment serves no purpose other than to humiliate and degrade Bradley Manning. I regard it as cruel and unnecessary.

Bradley Manning calls his conditions "improper treatment" and "unlawful pre-trial punishment". Human Rights Watch has called on the US Government to

"explain the precise reasons behind extremely restrictive and possibly punitive and degrading treatment that Army Private First Class Bradley Manning alleges he has received".

Amnesty International has said:

"Manning is being subjected to cruel, inhuman and degrading treatment. This is particularly disturbing when one considers that he hasn't even been brought to trial, let alone convicted of a crime".

The United Nations special rapporteur on torture, who I have spoken to in the House of Commons about the case, has officially raised his concerns with the US Administration and is awaiting a response.

We have not only those views but a view from inside the US Administration. Until recently, P. J. Crowley was the spokesman for the US State Department. He was a senior and well respected official and a career member of the US armed forces. Early in March he was forced to resign following comments he made about the treatment of Bradley Manning at a university seminar. He called the treatment of Bradley Manning "ridiculous", "counterproductive" and "stupid".

Since his resignation, P. J. Crowley has gone on to explain why he said what he did, including in a column in *The Guardian* last week. He says:

"As a public diplomat and (until recently) spokesman of the department of state, I was responsible for explaining the national security policy of the United States to the American people and populations abroad. I am also a retired military officer who has long believed that our civilian power must balance our military power. Part of our strength comes from international recognition that the United States practises what we preach."

He goes on:

"Based on 30 years of government experience, if you have to explain why a guy is standing naked in the middle of a jail cell, you have a policy in need of urgent review."

Finally, he says:

"So, when I was asked... I said the treatment of Private Manning, while well-intentioned, was 'ridiculous' and 'counterproductive' and, yes, 'stupid'."

I stand by what I said."

In the article and the interviews he has given, P. J. Crowley—a career US military and Government man—sets out why Bradley Manning's case is important. It is important because of the message it sends to the rest of the world about what kind of treatment the United States thinks is acceptable for people in detention. As for us, it is important what we say—or what we do not say—because of the message that it sends about the kind of treatment we in the United Kingdom and in the UK Government think is acceptable. That matters in countries where human rights are not so well observed. People will pay attention in China, in Russia, in Libya, where we want to be on the side of those fighting for freedom from state repression, and most of all in Afghanistan. The image that Britain and the US have in the world matters to the UK and US service personnel fighting in Afghanistan.

I know that only too well from my experience in Iraq as special envoy on human rights over a seven-year period. In my view some of the greatest damage was caused to British and American efforts in Iraq when the stories of prisoner abuse emerged. It undermined our moral authority at a time when we needed to explain that we were fighting for a better future for Iraq, free from the torture and abuse suffered under the regime of Saddam Hussein. The United States and the UK, in the way we respond to US actions, need to preserve that moral authority if we are to have a positive impact on the world and lead by example.

So what am I asking the Minister to do? Let me address the issue of British nationality, because it seems to me to have been something of a red herring. I am not raising Bradley Manning's case because he is a British national but because I believe his treatment is cruel and unnecessary and that we should say so. I am also chair of the all-party group on human rights and so I often raise human rights cases from around the world. They might be in Burma, Chechnya, East Timor, China, or, sadly, too many other places besides. I do not raise them because they involve British citizens, but because they involve human rights abuses or wrongdoing and because I am in politics because I want to do something to try to stop those things happening.

I want the British Government to raise Bradley Manning's treatment with the US Administration because his treatment is cruel and unnecessary and we should be saying so. We cannot deny, however, that Bradley's connection to the UK adds an additional dimension.

Bradley's mother, Susan, is Welsh and lives in Pembrokeshire. Bradley lived and went to school in Wales between the ages of 13 and 17. There is a great deal of interest in the UK, and in particular in Wales, in Bradley's case and much of that is grounded in his close connection to the UK. Both London and Wrexham have seen protests against Bradley Manning's treatment, and I pay tribute to those people in the UK who have raised his case.

Perhaps the Minister will take this opportunity to clarify, on the record, just what the position is with regard to British nationality. My understanding is that under the British Nationality Act 1981 anyone born outside the UK after 1 January 1983 who has a mother who is a UK citizen by birth is British by descent. Perhaps the Minister will assist us by confirming that that is the case. I am aware that Bradley Manning's lawyer has issued a statement that Bradley is not asserting any kind of UK nationality. I know that, but from the point of view of British law, is it the case that Bradley Manning qualifies for British nationality?

I shall mention briefly the British aspect of the case, which concerns Bradley's mother and family in Wales. I have met some of Bradley's family—his aunt and uncle—and I am in contact with them. This will be an exceptionally hard time for Bradley Manning's family, not just for his mother and family in Wales, but for his father and that side of his family in the United States. He is accused of the gravest of crimes which, according to some reports, can attract the death penalty, and there is intense media interest in Bradley, in anything to do with WikiLeaks and in the information that was revealed about the US Government.

Part of Bradley's family live in Pembrokeshire and their son is in a military prison in Virginia in the US. They are being contacted by journalists, campaigners and politicians who are trying to raise the case. This is a difficult situation for any family to deal with. What kind of consular, official or other support could be made available to Bradley's mother and family? When they visit Bradley in the US, for example, can they expect assistance from British embassy staff in the US? Can they receive advice and assistance in understanding the charges faced by their son, and perhaps advice, too, about the issue of British nationality?

I look forward to hearing what the Minister has to say. I hope that in his reply he does not say that we do not know what Bradley Manning's conditions are. We have his own statement, backed by his lawyer, from which I read earlier. I am sure the Minister will not try to defend the harsh treatment that Bradley Manning is experiencing because of the gravity of the charges. That is beside the point. I hope the hon. Gentleman does not try to say that as he is not a British citizen, it is not appropriate to raise Bradley Manning's case with the US Administration, because we raise cases with other countries all the time. I hope he will not fail to acknowledge that Bradley Manning's having lived for a time in the UK, and given that his mother and that side of his family are British, creates an additional obligation on the Government to act in that family's best interests.

I hope that the Minister can give two undertakings tonight—first, that the British Government will officially raise the case with the US Administration, and secondly, that the Government will consider what support they could provide to the British family of Bradley Manning as they try to do whatever they can to help Bradley.

10.43 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Henry Bellingham): I congratulate the right hon. Member for Cynon Valley (Ann Clwyd) on securing the debate, which is of considerable interest not just to a number of right hon. and hon. Members but to her constituents and others in Wales, as well as to the country as a whole. The right hon. Lady is deservedly well respected for her understanding and championing of human rights. Her work in Afghanistan and Iraq is widely admired.

As the Foreign Secretary said last week during the launch of the Foreign and Commonwealth Office's report on human rights:

"Our government promised from the outset a foreign policy that will always have support for human rights and poverty reduction at its irreducible core. It is not in our character as a nation to have a foreign policy without a conscience, and neither is it in our interests."

I therefore welcome this chance to discuss matters that give rise to concern among Members of the House. Although recent events in the middle east and north Africa continue to demand the attention of my ministerial colleagues, it is important that we do not lose sight of developments elsewhere in the world, including in the countries that are closest to us.

The right hon. Lady makes a number of points about the treatment of Private Manning, including those from a memo of 10 March 2011 from Private Manning to his commanding officer, released by Private Manning's lawyer. I have read the memo and have listened carefully to the different points that the right hon. Lady has made, including allegations of mistreatment in detention.

Her Majesty's Government are committed to working towards the eradication of mistreatment that may amount to cruel, inhuman or degrading treatment or punishment. We do not condone its use for any purposes. We take allegations extremely seriously and, where appropriate, raise general and specific concerns with foreign Governments. That is why we fund work to support professional and ethical policing. We also fund human rights approaches to prison management and initiatives to support a robust legal system and civil society, including an independent judiciary, which all contribute to tackling mistreatment.

As far as Her Majesty's Government are concerned, the conditions in which an individual is detained must meet international standards. Conditions that fail to meet this standard may amount to cruel, inhuman or degrading treatment or punishment. This is particularly important for an individual in pre-trial detention. The manner in which a detainee is held depends on an objective assessment of the security risk posed by that individual, their health and their behaviour in prison. This must be justified by the detaining authority. In general, we are content that conditions in the US detention system meet international standards and that there is a clear legal process for a detainee to be able to challenge their conditions of detention.

In this case, President Obama himself has said that he has sought and received assurances from the Department of Defence that Private Manning's treatment is "appropriate" and meets US "basic standards". Of course, the United States has an effective and robust judicial system. It is a champion of human rights the

[Mr Henry Bellingham]

world over. However, where crimes are alleged to have occurred they must be investigated. This is currently the case. The fact that we have seen the memo from Private Manning to his commanding officer is evidence that his legal representation is working. We must allow the legal case to follow its course without interference.

Where representatives of this House or members of the public have concerns, we have a duty to listen. On 16 March the right hon. Lady raised her concerns about Private Manning's treatment with the Foreign Secretary during the oral evidence session of the Foreign Affairs Committee, and on 17 March she repeated her call for discussion of the issue during business questions. Be assured that we are in no doubt of her concerns, which we know are shared by a number of Members across the House. Indeed, the Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for North East Bedfordshire (Alistair Burt) has already received more than 30 letters from Members of the House.

In line with the Foreign Secretary's response to the right hon. Lady during the Foreign Affairs Committee evidence session, a senior official in our embassy in Washington called on the US State Department on 29 March. He drew its attention to her concerns over Private Manning and handed over a copy of the uncorrected transcript of the Committee's oral evidence session and a copy of her early-day motion 1624, which was tabled on 17 March. He also drew attention to the debate taking place today as a measure of the level of parliamentary interest in the subject. The State Department took note and agreed to convey the information to all those dealing with the case. Our US interlocutors know that where we have concerns we will raise them. The strength of our relationship empowers us to discuss difficult issues and we will continue to raise concerns where and when necessary. However, let us be clear that President Obama has stated that he has received assurances that Private Manning's treatment is meeting basic standards.

I know that there will be many who feel that we should do more in the light of reports of Private Manning's links to the UK. The UK Government have a duty to protect his privacy and as such it would not be appropriate to discuss his nationality without his consent. I note that his lawyer wrote on his blog on 2 February:

"Private... Manning does not hold a British passport, nor does he consider himself a British citizen".

Therefore, it is clear that he is neither asking for our help, nor considering himself to be British. Although I have said that we do not normally discuss a person's nationality without their consent, I will say that the right hon. Lady's understanding of the British Nationality Act 1981 is accurate. Any person born outside the UK after 1 January 1983 whose mother is a UK citizen by birth is British by descent.

Dr Julian Lewis (New Forest East) (Con): May I, from the Government Benches, urge the Minister to convey to our American friends and allies that those of us who believe that, if Private Manning is guilty of the leakage of which he is charged, he did a very terrible thing indeed, are nevertheless convinced that it is fatal to snatch defeat from the jaws of a sort-of victory by focusing attention on the conditions in which he is being held, rather than on the question of the guilt or innocence of his conduct? The word "counter-productive" should be at the forefront of our American allies' minds when they consider how to treat him.

Mr Bellingham: I thank my hon. Friend for his very wise remarks. He is a candid friend of our American allies, and his points are very well made. All people who are detained in custody deserve to be treated in detention according to the highest international standards, and we certainly expect nothing else—nothing less—from the United States.

To return to the point about Private Manning's nationality, we must respect his wishes on the matter and recognise the limitations on UK involvement. The right hon. Lady mentions Mr Manning's family. We have not had a direct request from them, but obviously, if it comes to consular assistance of any kind, we will look at that request as and when one is made.

Private Manning is serving in the US armed forces and has been detained in the US while he is subject to legal proceedings. He has access to legal counsel who, from the reports I have seen, appear to be very active in defending his case. That case is ongoing, and we are confident in this instance that US judicial processes are sound.

In the light of the right hon. Lady's representations tonight, I will instruct our officials at our embassy in Washington again to report the concerns of this House to officials in the State Department. I will also discuss with the Foreign Secretary and the Under-Secretary, my hon. Friend the Member for North East Bedfordshire, who has responsibility for north America, what else we might be able to do, while respecting the views of Private Manning and his legal counsel.

I can assure the right hon. Lady that we are concerned: we have listened very carefully to what she has said before; I have listened to what she has said tonight; and, as I assured her a moment ago, in response to that we will instruct our officials at our embassy in Washington again to report our concerns to officials in the State Department.

Once again, I thank the right hon. Lady for raising the issue. I hope that what I have said is of some help and of some interest to her.

Question put and agreed to.

10.52 pm

House adjourned.

House of Commons

Tuesday 5 April 2011

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER in the Chair]

BUSINESS BEFORE QUESTIONS

NEW WRIT

Ordered,

That the Speaker do issue his Warrant to the Clerk of the Crown to make out a new Writ for the electing of a Member to serve in this present Parliament for the Borough constituency of Leicester South in the room of Peter Alfred Soulsby, who since his election for the said Borough constituency has been appointed to the Office of Steward and Bailiff of Her Majesty's Manor of Northstead in the County of York.—(*Ms Rosie Winterton.*)

Oral Answers to Questions

DEPUTY PRIME MINISTER

The Deputy Prime Minister was asked—

Bill of Rights

1. **Esther McVey** (Wirral West) (Con): What progress he has made on establishing a commission on a Bill of Rights. [50758]

2. **Tony Baldry** (Banbury) (Con): What progress he has made on establishing a commission on a Bill of Rights. [50759]

The Deputy Prime Minister (Mr Nick Clegg): The commission has been established. The Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Forest of Dean (Mr Harper), who is responsible for political and constitutional reform, announced the membership and terms of reference of the commission in a written statement to the House on 18 March.

Esther McVey: I thank the Deputy Prime Minister for his response. In the light of the European Court of Human Rights judgments that have gone against the will of the British public by giving prisoners the right to vote, allowing paedophiles to be removed from the sex offenders register and preventing deportation of those considered dangerous to the country's national security, specifically when could the British Bill of Rights be introduced and how will the Deputy Prime Minister ensure that it will reflect the will of the British public in law?

The Deputy Prime Minister: The commission will be looking at the case for a British Bill of Rights, building on and incorporating all the protections and rights that are already in domestic legislation, translating the rights and responsibilities of the European convention on human rights and building on them, but I think that there is a lot more that the commission can do as well. The Court, by universal acknowledgment, is not working as well as it should. There is a backlog of 140,000 cases, for instance. The Government will assume the chairmanship of the Court in November, and the commission will be providing us, I hope, with useful input on how we can improve the performance of the Court in Strasbourg.

Tony Baldry: Will the Deputy Prime Minister give the House an assurance that a British Bill of Rights will be written by Members of this House and not by the judges, particularly as they now appear to be making what many of us consider to be unconscionable orders that prevent constituents talking to their MPs? That must be unconscionable, so any Bill of Rights must be written by this House and not by the judges.

The Deputy Prime Minister: Clearly a British Bill of Rights, as I have said, must build on and incorporate the rights that British citizens already enjoy. British judges, parliamentarians and politicians have a long and proud tradition of drafting rights, which apply not only in this country but in others. I think back to the role of Sir David Maxwell Fyfe, the Lord Chancellor in the Churchill and Macmillan Governments, who played such a crucial role in drafting the European convention on human rights in the first place.

Mr David Hanson (Delyn) (Lab): In 2007 the current Prime Minister said that the Human Rights Act 1998 had to go. Last May the Deputy Prime Minister said that anyone who tampered with it did so at their peril. Could he tell us who is right?

The Deputy Prime Minister: It is no secret that the two coalition parties in this Government do not see eye to eye on this issue. That is why we have formed a commission that is composed of—[*Interruption.*] I know that Opposition Members cannot bear the idea that in Governments there are perhaps people who have civilised discussions from differing points of view. The mere concept of different politicians in the same Government seeking agreement from different positions is alien to the right hon. Gentleman and his colleagues, but it is what we do, and do very well, in this Government.

Sadiq Khan (Tooting) (Lab): I welcome the huge number of Liberal Democrat MPs here today to show support for their current leader at the final Deputy Prime Minister's questions before the local and national elections. I also welcome the president of the Liberal Democrats, the hon. Member for Westmorland and Lonsdale (Tim Farron), who is here today.

Mr Speaker, I am sure you will have been interested by the previous answer that the Deputy Prime Minister gave to the question about his commitment to the Human Rights Act, but Lord McNally in the other place and the Secretary of State for Energy and Climate Change have said that, if the coalition Government

considered getting rid of that Act, that would be the time for them to consider getting out of the coalition Government. It is a straightforward question: does the Deputy Prime Minister agree with them or not?

The Deputy Prime Minister: I am a passionate advocate, supporter and defender of the Human Rights Act—full stop.

Ministerial Meetings

5. **Mr John Spellar** (Warley) (Lab): What meetings he has scheduled in his official capacity for Friday 6 May 2011. [50762]

The Deputy Prime Minister: On 6 May, I will be in government and the right hon. Gentleman will be in opposition.

Mr Spellar: I fully understand the Deputy Prime Minister's reluctance to outline any official duties, as he will have to cope with the Lib Dem wipe-out throughout the country, especially in Sheffield. We should sympathise with him for having to do the rounds of the studios, the meetings with panic-stricken colleagues and the visit to the relationship counsellor about the future of the coalition. Will he be going back to transcendental meditation, or will he just be back on the fags?

The Deputy Prime Minister: I cannot be bothered to answer that question.

Mr James Clappison (Hertsmere) (Con): As a supporter of no to AV and somebody who believes in balanced debate, and given that the Deputy Prime Minister was apparently unavailable for the launch of the yes to AV campaign, may I offer him this opportunity to say why he says yes to AV, so that as many people as possible know of his support for it and what lies behind it?

The Deputy Prime Minister: What I would say to my hon. Friend and, indeed, to all my hon. Friends on the Conservative Benches is that the Conservative party has had a long and proud tradition of advocating choice and competition in almost every walk of public life, but that for some reason, which I still cannot fathom, election to this place is the one bit of public life that the people who campaign against electoral reform do not want to make susceptible to greater choice in the hands of the British people. I find that ironic.

I think the present electoral system is self-evidently broken. There are hundreds of Members in this place who have jobs for life and need only to get 30% of the vote in their constituency. No wonder we had expenses scandals: if you want more duck houses, vote no; if you want more accountability, vote yes.

Chris Bryant (Rhondda) (Lab): We note from the Deputy Prime Minister's previous answers today that he has gone from sanctimony to arrogance in one very short year. The arrogance of his answers is phenomenal. May I urge him to allow himself a little luxury on 6 May—a day without Conservatives, no phone calls, no meetings, not even a walk in the park with his best friend, the Prime Minister—so that he can refine his inner social liberal, so that if the AV vote has succeeded

he sticks with a 100% elected House of Lords, and, if by any chance because of his support, as we have just seen, the campaign fails, he has absolutely nothing to do with the reform of the House of Lords—so that we can get the thing through?

The Deputy Prime Minister: It is truly laughable, even by the hon. Gentleman's extraordinary standards, that he now wants to make a show of reform of the House of Lords when his Government delivered precisely 0% of elected Members of the House of Lords. What I can confirm to him and to the House today is that we will bring forward and publish proposals for an extensive reform of the other place—of the House of Lords—by the end of next month.

Political Parties (Funding)

6. **Nick Smith** (Blaenau Gwent) (Lab): When he expects to bring forward proposals on the funding of political parties. [50763]

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): The hon. Gentleman will know that the Committee on Standards in Public Life is currently carrying out a review of party funding, and it expects to report this spring. When it does, the Government will look with interest at its report and then bring forward our proposals with, I hope, consensus.

Nick Smith: I thank the Minister for his response. The Police Reform and Social Responsibility Bill includes provision for the election of police commissioners. What discussions has the Minister had about the governing of election expenses and any taxpayer contributions towards such expenses for the candidates in those elections?

Mr Harper: That was a very measured question. I am not sure what the hon. Gentleman is getting at in terms of taxpayer contributions, but I am sure that elections to the office of police commissioner will be carried out in the same way as other elections, and that they will be very well regulated and very sensible. I am not quite sure, however, what the hon. Gentleman is driving at.

Referendum Costs

7. **Ian Murray** (Edinburgh South) (Lab): What recent estimate he has made of the cost to the public purse of holding a UK-wide referendum. [50764]

The Deputy Prime Minister: The cost of holding the referendum is similar to the cost of holding a general election. The Government have been very keen to be as cost-efficient as possible, and that is why the referendum is being held on the same day as other elections.

Ian Murray: Given the rising cost of living for my constituents, partly due to the "Tory VAT bombshell", does the Deputy Prime Minister think that spending up to £250 million on his AV vanity project is a good use of public funds, and does his continued leadership of his party depend on a yes vote?

The Deputy Prime Minister: First, I point out that it was in the hon. Gentleman's manifesto to hold a referendum on AV, and I am sure he has worked out the sums for

himself. Secondly, this £250 million figure is complete and utter fiction. This Government have set aside £120 million for the costs of the next general election. If I understand it correctly, this fictional figure has come from the assumption that we will be using electronic counting machines, for which this Government have no plans whatsoever.

Mr Peter Bone (Wellingborough) (Con): Does the Deputy Prime Minister agree that one cannot put a cost on democracy and that establishing the principle of a referendum might allow us to have future referendums on such things as, say, the European Union?

The Deputy Prime Minister: I certainly accept my hon. Friend's premise that we should always stand ready to provide the British people with an opportunity to have a say on issues that are of huge, overwhelming national concern. I would not recommend it as a monthly event, but it is certainly something that has arisen and will continue to arise from time to time.

Mr Nigel Dodds (Belfast North) (DUP): The Deputy Prime Minister seems very reluctant to spell out the precise cost of this referendum, so could he tell us clearly how much he thinks it is going to cost? How many representations has he received saying that this is the No. 1 priority for people in his constituency?

The Deputy Prime Minister: Of course, at a time of economic difficulty when there are rising living costs, many other priorities impinge on people's lives. That is why, for instance, people will welcome the fact that from tomorrow 23 million basic rate taxpayers will get £200 cash in their pockets because of the income tax we are giving back. I accept that that is more important. As I said before, the cost of the referendum will be roughly the cost of every general election.

Topical Questions

T1. [50768] Mr Jim Cunningham (Coventry South) (Lab): If he will make a statement on his departmental responsibilities.

The Deputy Prime Minister (Mr Nick Clegg): As Deputy Prime Minister, I support the Prime Minister on the full range of Government policies and initiatives. I take special responsibility for this Government's programme of political and constitutional reform. As part of this, I would like to confirm again that we will be publishing a draft Bill on House of Lords reform before the end of May.

Mr Cunningham: Can the Deputy Prime Minister tell us why he broke his election pledge in relation to elections to the House of Lords? He said that it would be 100% elected, but now he is saying 80%.

The Deputy Prime Minister: I am grateful for Labour Members' sudden fanatical interest in reforming the House of Lords, given that during 13 years in government they did precisely nothing about it. Of course I am a supporter of a fully elected House of Lords, but I have always said that if we want to prevent the fate of previous attempts to reform the other place, we should not make the best the enemy of the good. We need to

proceed not only with idealism but with a degree of pragmatism, and that will be reflected, I hope, in the draft Bill that we will publish before the end of next month.

T3. [50770] Eric Ollerenshaw (Lancaster and Fleetwood) (Con): I congratulate the Deputy Prime Minister on the news of the coalition Government's announcement on the new social mobility and internship strategy. I hope, Mr Speaker, that through your good offices we can soon match that internship strategy in this place. May I ask, in particular, how the new internship scheme will benefit my constituents, as too often these schemes are dominated by people from London or with London connections?

The Deputy Prime Minister: If we are to open up internships in Government and elsewhere—I am delighted that a large number of businesses have already announced that they will be introducing greater meritocracy and transparency in how they administer internships in their own offices—that will depend heavily on people being able to apply for and secure those internships from wherever they live across the whole of the country.

Ms Harriet Harman (Camberwell and Peckham) (Lab): The Deputy Prime Minister knows that the replacement scheme for the abolished education maintenance allowance will mean a 60% cut, but does he recognise that his new scheme introduces uncertainty because it is discretionary? Under the new scheme, young people will not know in advance whether they will get a bursary, whether the college they choose will give it to them and how much they will get. What would he say to the thousands of young people who are going to be left in the dark?

The Deputy Prime Minister: We always said that the previous system—I am sure that the right hon. and learned Lady would be fair enough to recognise that the previous Government acknowledged this, too—would be altered and changed as the compulsory education age went up to 17 in 2013 and to 18 in 2015. What we are doing is what we always said we would do: we are not scrapping the thing altogether but replacing it with a £180 million fund that can be targeted precisely at those people for whom financial support is necessary to continue in full-time education. As she will know, we are providing more money for those who are particularly vulnerable than was available under the old EMA scheme. Yes, we are providing discretion, because directors and principals of further education colleges and sixth forms have told us that that is the best way to ensure that they, who know the individual pupils, can provide the support that is needed.

Ms Harman: But the Deputy Prime Minister has not answered the point about uncertainty for students who will not know in advance. His answer will not wash with the 600,000 young people who will lose out under the EMA abolition and who, if they manage to stay in education, will face massively increased tuition fees. Even in the constituency of his ludicrously titled advocate for access to education, London South Bank university, which has always done all it can to provide quality higher education to local people on low incomes, now says that it will have to charge £8,450. He said that the £9,000 fees would be the exception rather than the rule, but it has turned out that he is wrong. Is that not just typical of this coalition of cuts, chaos and confusion?

The Deputy Prime Minister: What is typical is that the right hon. and learned Lady is jumping on the latest bandwagon without checking her facts. Less than half the universities that have published figures so far have said that they will seek to charge £9,000 for some courses, but there are still several weeks—in fact, two or three months—to go before the Office for Fair Access provides its consent to those plans, which can go ahead only if those universities provide much greater opportunities for disadvantaged children to gain access to those universities. She ignores the fact that if we include bursaries and fee waivers, the average level of charges imposed on individual students will be a whole lot lower.

T4. [50771] Elizabeth Truss (South West Norfolk) (Con): Given that successive Governments have centralised powers from once mighty councils and municipalities, what steps will the Deputy Prime Minister take to ensure that localism is embedded in our constitution and that future Governments cannot reverse those moves?

The Deputy Prime Minister: I strongly agree with my hon. Friend that one of the key things that we must deliver as a Government is the reversal of the outrageous arrogation of power to central Government under Labour over the past 13 years. That is a painstaking job that must be reflected in the way we give more freedom to teachers in the classroom, more financial autonomy to our local authorities and more devolution in how our great NHS works. Across the piece, we must reverse the tide of centralisation that was one of the most baleful characteristics of the Labour Government.

Mr Speaker: I call Stephen Pound. He is not here.

John Cryer (Leyton and Wanstead) (Lab): Will the Deputy Prime Minister answer the question that he has been asked twice by Opposition Members? How much will the referendum cost? I know that answering a straight question is a bit of an alien concept to him, but will he give us a straight answer? How much will it be?

The Deputy Prime Minister: As I said before, it is the same as that of a general election. One thing I can tell the hon. Gentleman is that if there is a change in the electoral system it will not—I repeat, not—cost £250 million.

T6. [50773] Duncan Hames (Chippenham) (LD): Does the Deputy Prime Minister consider the rules on reporting of political donations to be adequate when the no campaign in this referendum canvasses for support from the public without telling them where the money is coming from?

The Deputy Prime Minister: I strongly agree. If we are going to have the two sides of the argument deployed up and down the country in this all-important referendum, the least the public can expect is to find out who is bankrolling the no campaign. I hope that the people in the no campaign will come clean with the British people very soon.

T5. [50772] Steve McCabe (Birmingham, Selly Oak) (Lab): I see that the Deputy Prime Minister is now to play a role in the health legislation. I am in the midst of consulting GPs in Selly Oak on that. Does he agree

with his colleague, the GP Evan Harris, that one of the vital amendments is the right for GPs to opt out of commissioning?

The Deputy Prime Minister: I certainly agree that there should be nothing doctrinaire about the point at which GP consortia become the commissioning bodies in the NHS. That is why exacting requirements will be applied to consortia. If they are not ready by April 2013, they will not be given the new commissioning powers.

T10. [50777] Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): Following the Budget's impact on energy investor confidence, do the Government have plans to enable this country finally to offer the stability needed for long-term strategic investment decisions?

The Deputy Prime Minister: I know how strongly my hon. Friend feels about this issue, and he has spoken about it before. As I have explained to him, it is right that the Government have asked an industry that is making huge profits because of the rise in world oil prices to make a significant contribution to ensuring that we can bring the price down on the forecourt and at the petrol pump for millions of people who are finding it difficult to deal with increasing living costs. As he knows, there was an emergency meeting of PILOT, at which it was made clear by the Secretary of State for Energy and Climate Change and others that we want to work with the industry to ensure that we can provide the right environment to foster its investment decisions in future.

T7. [50774] Michael Connarty (Linlithgow and East Falkirk) (Lab): As well as being responsible for having probably destroyed the electoral hopes of the Liberal party, the Deputy Prime Minister is formally responsible for the West Lothian question. He will know that a private Member's Bill is in Committee, under which every piece of legislation would be labelled according to which parts of the United Kingdom it affected. That would start a process of denying Members from Scotland the right to vote on all legislation in this House. Does he support that Bill?

The Deputy Prime Minister: This is a very difficult issue—[Interruption.] It is an issue that has bedevilled Governments for a long time. We do not support the Bill, but we support the establishment of a commission to look into the West Lothian question, and we will establish one in due course.

Harriett Baldwin (West Worcestershire) (Con): Further to the question from the hon. Member for Linlithgow and East Falkirk (Michael Connarty), can the Deputy Prime Minister give us a little more clarity on his timetable for establishing the West Lothian commission?

The Deputy Prime Minister: There is a need to ensure that we do not overlap the important work of the commission on the West Lothian question with the equally important work that we are doing on the reform of the other place. Once we have established the progress on that draft Bill, which we will publish before the end of next month, we will be in a clearer position to determine the timetable for proceeding on the West Lothian question.

T8. [50775] Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): Last month, my constituent Christina O'Brien was one of four Liverpool passport office workers who were dismissed because they had been given permanent contracts by mistake. Ten others were switched to temporary contracts. Will the Deputy Prime Minister pursue the appalling treatment of these hard-working employees with the Home Office? They have done nothing wrong, and they deserve to get their jobs back.

The Deputy Prime Minister: The hon. Gentleman speaks with great conviction and passion about the fate of his constituents. Of course, I would be happy to receive further information from him and look into the case.

Martin Vickers (Cleethorpes) (Con): Returning to House of Lords reform, if media reports are correct, elections will be held on a regional basis. My constituents treasure their connection with the historic county of Lincolnshire, and do not want to be dragged kicking and screaming into the Yorkshire and Humber region. Can the Deputy Prime Minister assure me that they will be consulted fully on where they will be placed?

The Deputy Prime Minister: That is one of the reasons why we are publishing a draft Bill before the end of next month, as I have said. The draft Bill will, in turn, be subject to exhaustive scrutiny by a Joint Committee of both Houses, to which he and all other hon. Members will be able to make representations on issues of concern to them.

Liz Kendall (Leicester West) (Lab): When the Deputy Prime Minister signed the foreword to the Government's national health service White Paper, which part of the policy did he disagree with?

The Deputy Prime Minister: I actually think that the basic ideas that we need less bureaucracy in the NHS, that GPs, who know the patients best, should have greater responsibility in it and that we need greater accountability, less centralisation and a greater role for local authorities are accepted across the piece as the right approach, except perhaps on the Labour Benches. The key thing now is to ensure that we get the details and the implementation right. As the Secretary of State for Health said very clearly yesterday, where there are legitimate concerns, for instance about the governance of a GP consortium or the role of the private sector, we will seek to address them. That will then lead to substantive changes through amendments at the end of the process, in about two months' time.

Greg Hands (Chelsea and Fulham) (Con): One of the most scandalous statistics in our democracy is the fact that of 5.5 million British subjects abroad, only about 15,000 are registered. What are we going to do to improve the registration rates of British subjects abroad?

The Deputy Prime Minister: My hon. Friend is right to identify that as a real problem, and we are examining right now how we can improve the situation so that even if British citizens live and work abroad, they can continue to participate in the democratic life of our country.

Mr David Winnick (Walsall North) (Lab): May I, in all fairness, congratulate the Deputy Prime Minister on showing since last May that the idea that his party is some kind of progressive alternative to Labour is absolute nonsense? For that alone, he deserves every possible congratulation.

The Deputy Prime Minister: Let us just look at some of the things that have been happening. Last Friday—*[Interruption.]*

Mr Speaker: Order. I know that the Deputy Prime Minister is quite capable of looking after himself, but the hon. Member for Walsall North (Mr Winnick) has asked the question, and Members must hear the answer. The Deputy Prime Minister must be heard.

The Deputy Prime Minister: I wanted to give the hon. Gentleman some specific examples of progress: last Friday—the start of the implementation of the pupil premium, with £2.5 billion for the most disadvantaged children in our schools by the end of this Parliament; tomorrow—the delivery of a new tax threshold that will take 880,000 people on low pay out of paying any income tax, and the delivery of a triple guarantee for all pensioners, restoring the earnings link that Labour failed to restore in 13 years.

By the way, tomorrow is the beginning of the financial year when the hon. Gentleman's party promised details of £14 billion-worth of cuts, according to its plans for the reduction of the deficit. Where are they? When will Labour come clean with the British people?

Mr Speaker: We come to questions to the Attorney-General. I call Jack Dromey. *[Interruption.]* Order. I appeal to Members who are leaving the Chamber, particularly those who are walking past someone who is to ask a question, to do so quickly, quietly and preferably with some dignity.

ATTORNEY-GENERAL

The Attorney-General was asked—

Human Trafficking

1. Jack Dromey (Birmingham, Erdington) (Lab): When he expects the Crown Prosecution Service to publish its public policy statement on the prosecution of cases involving human trafficking. [50788]

The Attorney-General (Mr Dominic Grieve): The Crown Prosecution Service expects to publish its public policy statement on the prosecution of cases involving human trafficking later this spring.

Jack Dromey: The Attorney-General will be aware of the heartbreaking case of the young woman from Moldova who was trafficked for the purposes of prostitution, deported, gang raped and tortured, and who is now taking legal action as a consequence. Will he impress upon both the CPS and the United Kingdom Border Agency that they have to act sensitively and in a determined fashion designed to end modern-day slavery?

The Attorney-General: I can assure the hon. Gentleman that the CPS fully understands those points and takes them very seriously indeed. He will be aware that the last Government, with the support of all Opposition

parties, supported signing up to the Council of Europe convention to deal with those who are trafficked. As he will know, that provides for a period in which the person in question can recuperate, for which they are given temporary leave to remain in the United Kingdom. He will also be aware that the CPS takes very seriously the need to bring such cases to court. Prosecution is sometimes very difficult and, of course, witnesses may be reluctant to come forward, but the fact that those difficulties exist does not in any way diminish the seriousness with which the matter is approached.

Karl McCartney (Lincoln) (Con): Will my right hon. and learned Friend advise the House how improvements in the performance of the CPS in magistrates courts might be achieved?

The Attorney-General: The vast majority of trafficking cases—trafficking being a serious matter—are likely to go to the Crown court. More generally, the CPS is always looking to improve its performance in all courts in which it appears. If any specific matter troubles my hon. Friend about the performance of the CPS, and if he brings it to my attention, I shall ensure that he gets a proper reply.

Child Trafficking

2. Steve McCabe (Birmingham, Selly Oak) (Lab): What steps the Crown Prosecution Service is taking to increase the prosecution rate for child trafficking offences. [50789]

The Solicitor-General (Mr Edward Garnier): The Crown Prosecution Service is working with law enforcement agencies and others in the United Kingdom and in countries of origin to improve the investigation and prosecution of child trafficking cases.

Steve McCabe: Does the Solicitor-General agree that two of the obstacles to improving successful prosecutions are the tendency to focus on prosecuting young victims for crimes committed under duress and, as ECPAT UK and the Body Shop have argued, the lack of a proper system of guardianship to prevent child victims of trafficking from disappearing, especially from local authority care?

The Solicitor-General: I think I understand the thrust of the hon. Gentleman's question. However, I assure him that the CPS does not prosecute people just for the hell of it. It prosecutes people against whom there is evidence and whose activities require the attention of the criminal courts. Those who are forced here and commit crimes under duress are most unlikely to be prosecuted, but I assure him that the CPS is deeply sensitive to the nature of those people's existence and how they have come into this country. No prosecutions of people who are under duress should take place.

Stephen Phillips (Sleaford and North Hykeham) (Con): What is the likely effect on rates of prosecution if the United Kingdom signs up to the European Union directive on human trafficking?

The Solicitor-General: I think that the Prime Minister announced last Wednesday week that we are now signing up to that directive, having considered the matter. I cannot tell him what the effect will be in numerical terms, but it will have some beneficial effects.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): Further to the guardianship point that has just been raised, how long does the Solicitor-General believe it will take to enshrine article 14 in UK law?

The Solicitor-General: I do not know.

Crown Prosecution Service

3. Mr Jim Cunningham (Coventry South) (Lab): What steps the Crown Prosecution Service plans to take to achieve its planned expenditure reductions over the comprehensive spending review period. [50790]

The Attorney-General (Mr Dominic Grieve): The CPS has developed and implemented a structured cost reduction plan, which will achieve the 25% budget reduction over the comprehensive spending review period and, at the same time, maintain the capability of the CPS to deliver its core business to a high standard. The plan covers expenditure on staff, accommodation, information technology, counsels, fees and administration costs. A recruitment freeze has been implemented and will continue for the next four years. Contracts have been renegotiated and the costs of many corporate services will be halved by 2014.

Mr Cunningham: Given the cuts that the Attorney-General has just outlined, how will the CPS maintain its high standards?

The Attorney-General: All savings are challenging, but the CPS is conscious of its statutory obligations. The publication of its core quality standards underlines its commitment to delivering a quality service and its priorities remain the prosecution of offences. It is carrying out efficiency savings across the board, particularly in respect of its central units. It believes that it can carry out the savings without affecting its ability to conduct prosecutions.

Sir Alan Beith (Berwick-upon-Tweed) (LD): Is the Attorney-General following up the suggestion of the Director of Public Prosecutions, which was made in evidence to the Justice Committee, that considerable savings could be made by better handling in the courts of early guilty pleas, as has been developed in Liverpool?

The Attorney-General: Indeed. I have participated in discussions with the Crown Prosecution Service and members of the judiciary on ensuring that the example of early guilty pleas in Liverpool can be progressively rolled out throughout the country. Other pilot schemes will operate that initiative. The Liverpool example suggests that very substantial cost savings can be achieved. I cannot emphasise too much to the right hon. Gentleman and the House that the difference in cost between an early guilty plea and a case that trails on without a plea until trial is imminent is in fact huge.

Specialist Rape Prosecutors

4. Alison McGovern (Wirral South) (Lab): How many specialist rape prosecutors the Crown Prosecution Service employed in the latest period for which figures are available. [50791]

The Solicitor-General (Mr Edward Garnier): Specialist rape prosecutors have been appointed by chief Crown prosecutors based on local business needs. The number has not been centrally collated, but in January 2011, the Director of Public Prosecutions said that 839 prosecutors throughout England and Wales had the requisite training and experience to deal with rape cases.

Alison McGovern: It is worrying that conviction rates for rape and sexual offences other than rape are down. What will the Solicitor-General do to stop that slide from becoming a worrying trend?

The Solicitor-General: I do not mean to misinterpret the hon. Lady's question, but in my submission, the more important question is the attrition rate between report and the arrival of the case in court. The conviction rate in sexual offences cases stands good comparison with that for most other crimes, but we need to concentrate on the falling away of evidence from victims who are unprepared to take the matter from the initial stage right the way through to the court. I can assure her that the police and the CPS are doing all they can to ensure that the attrition rate is not as high as it has historically been.

Mr Robert Buckland (South Swindon) (Con): On that point of attrition, may I commend to the Solicitor-General the use of intermediaries to help vulnerable witnesses to give their evidence in an effective way, particular in respect of allegations of rape and other serious sexual offences? I have had personal experience of such intermediaries and I commend their use to him.

The Solicitor-General: I am grateful to my hon. Friend, who has huge experience as a criminal lawyer. There are a number of things that we can do, and should do more of, to enable victims of rape to bring their cases to court. To be raped is the most appalling experience, but to have to relive that experience through the criminal justice system makes the matter all the worse. We must do all that we can to ensure that those women, and some men, are enabled to bring their offenders to justice.

Domestic Violence

5. Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): What recent representations he has received on the effect on prosecution rates of the provision of specialist domestic violence services. [50792]

The Attorney-General (Mr Dominic Grieve): I have received no recent representations.

Luciana Berger: Does the Attorney-General agree that the success rate of the Crown Prosecution Service is dependent on factors outside its control, particularly in prosecuting crimes such as domestic violence? In those circumstances, what will be the cumulative impact of police, local authority and legal aid cuts on the support available to victims of domestic violence, and on the number of perpetrators prosecuted?

The Attorney-General: The hon. Lady is right that the success rate in domestic violence prosecutions has been on an upward trend—there was a significant increase from 65% in 2006-07 to 72% in 2009-10—against the background of an increasing volume of prosecutions.

Specialist support services play a key role in contributing to those improvements. If I may make the position quite clear, the CPS is committed to working with those specialist services and believes that a priority will be given to their continuation, to ensure that it can continue to do the work it currently does.

Human Trafficking

6. Jeremy Lefroy (Stafford) (Con): What steps he is taking to ensure that people recognised as trafficked under the national referral mechanism procedure are not prosecuted for criminal offences related to their trafficking. [50793]

The Solicitor-General (Mr Edward Garnier): Guidance has been issued to prosecutors on the prosecution of defendants charged with criminal offences who might be trafficking victims. It advises prosecutors on the steps that should be taken when reviewing such a case. Similar guidance has also been issued to the police.

Jeremy Lefroy: What steps is the Solicitor-General taking to ensure that the victims of trafficking are better protected, so that they are more likely to give evidence?

The Solicitor-General: The national referral mechanism has improved the identification of trafficked victims and their subsequent referral into appropriate support and protection. As part of the wider strategy to combat human trafficking, the Government are introducing a new model for funding specialist support for all adult victims of trafficking in England and Wales that will provide support tailored to the individual needs of the victims. There is guaranteed funding of up to £2 million a year to support this. If the victim agrees to assist in criminal proceedings, a number of steps can be taken by prosecutors to ensure their safety and improve their ability to give evidence, including special measures in court, applying for reporting restrictions to protect their identity or applying for the victim to give evidence from their home country, if they wish to return there.

Mr David Hanson (Delyn) (Lab): The newly appointed chief officer in the Welsh Assembly responsible for human trafficking issues in Wales said yesterday:

"Victims have no faith in the police and the public sector in their own countries because they are corrupt and traffickers will tell them it is the same here."

We know that that is not the case, but will the Minister indicate what he can do to ensure that people who do not have faith in their own countries can have confidence that we will deal with this issue seriously in ours?

The Solicitor-General: The right hon. Gentleman raises a very important point, which is that many of the victims come from jurisdictions in which the police are seen as oppressors rather than assistants. As he appreciates—having been a Home Office Minister and through his constituency experience—in this country, the situation is rather different. As I said in answer to an earlier question, both the police and the Crown Prosecution Service are acutely sensitive to the difficulties that the victims of trafficking face, whether of sexual or labour exploitation, or of immigration offences.

Rape

7. Diana Johnson (Kingston upon Hull North) (Lab): What steps the Crown Prosecution Service is taking to increase the rate of conviction for rape offences. [50794]

The Attorney-General (Mr Dominic Grieve): Measures to strengthen rape prosecutions were announced by the Director of Public Prosecutions in December 2010. These include a new violence against women assurance scheme involving the monitoring of approximately 25% of all rape cases.

Diana Johnson: We are seeing a 25% cut in the CPS budget, cuts to specialist policing in cases of domestic and sexual violence, cuts to voluntary groups working with victims of sexual violence, fewer powers to use DNA evidence and fewer prison places. Despite this, is the Attorney-General confident about the prospects for more rape convictions?

The Attorney-General: If I may say to the hon. Lady, she asked an improper question, because it presupposed the answer at the time she raised it. The conviction rates for rape rose from 54% in 2006-07 to 59% in 2009-10, against a 17% increase in volume. There has also been an increase in guilty pleas. I have no doubt that, like all challenges, maintaining that into the future will require effort on the part of the CPS and the other organisations, but I have no reason to suppose that, as a result of the long list she announced, it should have an adverse impact on the priority given to rape and our ability to convict people for it.

Mr Speaker: Order. I can assure the Attorney-General that there has been no procedural impropriety of any kind.

Bribery Act

8. Mr Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): What progress the Director of Public Prosecutions and the Serious Fraud Office have made on guidance on the prosecution of cases under the Bribery Act 2010. [50795]

The Solicitor-General (Mr Edward Garnier): The two directors issued joint guidance on 30 March this year.

Mr Clarke: Does the hon. and learned Gentleman know whether the Attorney-General has had discussions with his Treasury colleagues, in the light of the budget cuts to the SFO and the implications for the implementation of the Bribery Act, given the diminished resources?

The Solicitor-General: Both the SFO and the CPS have factored in to their assessments of the financial needs of their prosecuting services the implications of the Bribery Act, and both are satisfied that their work will be able to continue irrespective of the comprehensive spending review.

Amber Rudd (Hastings and Rye) (Con): Does my hon. and learned Friend agree with the CBI that the SFO must take a common-sense approach to enforcement of the Bribery Act to ensure that it is reasonable and risk based?

The Solicitor-General: The SFO and the CPS will apply the prosecutors code in the usual way, and if that involves the application of common sense, they will apply it. There is an awful lot of misinformed over-excitement about the implementation of the Bribery Act. However, I would refer right hon. and hon. Members to an article on page 14 of today's *Financial Times* by Andrew Hill. It offers a sensible view on the matter.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): News of the implementation of the Bribery Act 2010 is welcome. However, the Serious Fraud Office faces slashed budgets and there is a plan to split its investigation and prosecution functions, against recommended practice. This uncertainty has already seen six senior staff move to the private sector in recent weeks. What action will the Law Officers take to ensure that confidence is maintained and that the UK is capable of delivering on its international obligations to tackle serious corruption and fraud?

The Solicitor-General: By getting on with our job.

CHURCH COMMISSIONERS

The hon. Member for Banbury, representing the Church Commissioners, was asked—

Shahbaz Bhatti

1. Mr Robert Buckland (South Swindon) (Con): What representations the Church of England has made on the death of Shahbaz Bhatti in Pakistan. [50778]

6. Andrew Selous (South West Bedfordshire) (Con): What representations the Church of England has made on the death of Shahbaz Bhatti in Pakistan. [50783]

The Second Church Estates Commissioner (Tony Baldry): There were widespread expressions of sadness and concern across the Church of England and throughout Parliament following the news of the assassination of Federal Minister for Minorities, Shahbaz Bhatti, in Pakistan. The Archbishop of Canterbury takes a close interest in Pakistani affairs, after his visit to Pakistan in 2005, and had met with Mr Bhatti personally as recently as last September. Both the archbishop and the Bishop of Pontefract, who chairs the archbishop's Pakistan focus group, attended a service of remembrance and thanksgiving for the life of Shahbaz Bhatti, which was held at St Margaret's Westminster on 17 March. The Bishop of Lahore is currently on a visit to the UK and has met the Archbishop of Canterbury to discuss the unfolding situation and the position of Christians in Pakistan. The archbishop has reaffirmed the Church of England's full support for the work of the Church in Pakistan and solidarity with Christians facing persecution there and elsewhere.

Mr Buckland: It is likely that Mr Bhatti, who was a Christian himself, was murdered because he had suggested reforms to Pakistan's blasphemy laws. Is not now a time for us to remember that article 18 of the universal declaration of human rights, which enshrines the right to freedom of religion and belief, should be truly of universal application?

Tony Baldry: My hon. Friend, who chairs the Conservative party's human rights commission, makes an important point. Freedom of religion and belief is a fundamental human right, as set out in article 18 of the universal declaration of human rights. As Amnesty International has noted,

"the right to freedom of thought, conscience and religion is a fundamental component of the universal and indivisible human rights framework that applies to all people everywhere, as laid out in international law."

Andrew Selous: I commend the Archbishop of Canterbury on speaking out so strongly following the murder of Shahbaz Bhatti. Many of us were pleased to see that, but will my hon. Friend ensure that the archbishop continues to speak out on these matters, not least in Iran, where 282 Christians in 34 different cities have been arrested since June last year, and where 300 Bibles were burned in February?

Tony Baldry: My hon. Friend is right to remind the House of the persecution of Christians elsewhere in the world. Let me remind the House of two comments made by the Archbishop of Canterbury, who said:

"The protection of minorities of any and every kind is one acid test of moral legitimacy for a government,"

and that applies to Iran, Iraq, Egypt and other countries where Christians are facing difficulties. The Archbishop of Canterbury has also observed that

"Most Muslim thinkers are embarrassed by supposedly 'Islamic' laws in various contexts that conceal murderous oppression and bullying...they need to be heard more clearly".

Mr Denis MacShane (Rotherham) (Lab): The welcome statements from Lambeth palace and this House are one thing, but for a real impact, does the hon. Gentleman know whether the Prime Minister, who is currently in Pakistan, will publicly condemn what happened, and should he?

Tony Baldry: My right hon. Friend the Prime Minister is a robust defender of human rights. I am quite sure that he will not leave the Government of Pakistan in any doubt about the abhorrence felt in every part of this country and every part of civilised society at the murder and martyrdom of people simply for their religious beliefs.

St George's Day

2. **Mr David Nuttall** (Bury North) (Con): Whether the Church Commissioners plan to encourage the flying of the St George Cross flag by churches on St George's day. [50779]

9. **Richard Graham** (Gloucester) (Con): What plans the Church of England has to mark St George's day. [50786]

Tony Baldry: The Church of England is delighted to have a once-in-a-century opportunity to celebrate the patron saint of England on two occasions this year. The Church of England, along with other Christian denominations, will be officially celebrating St George's day on 2 May. The reason for the shift in date this year is that Easter is late, Easter Sunday falling the day immediately after St George's day, on 23 April. To celebrate St George's day on Holy Saturday would not

be appropriate because Holy Saturday is the traditional time of reflection and contemplation for Christians before the celebrations of Easter Sunday. The Archbishop of York has been calling for all churches and Government buildings to fly the St George cross on their flagpoles on both 23 April and 2 May. He has written to all Departments asking them to observe both 23 April and 2 May, to ensure that we have a double celebration this year.

Mr Nuttall: I thank my hon. Friend for that informative answer. Will the Church Commissioners be supporting the private Member's Bill tabled by my hon. Friend the Member for Stratford-on-Avon (Nadhim Zahawi), which would have the effect of designating St George's day, or the nearest working day to it, a national public holiday?

Tony Baldry: In responding to my hon. Friend, I can do no better than to quote the Archbishop of York, who has said:

"As someone who loves St George, I have long campaigned for us to have a special holiday where we can celebrate our patron saint and all that is great about our wonderful nation. There is so much to love about England. Why can't we put aside one day a year where we can wave our English flag of St George, sing songs about our proud history and maybe even drink a pint of English real ale with our friends."

Richard Graham: I am of course delighted that our noble cathedral continues to lead the way in celebrating St George's day, and I hope that other cathedrals and churches will follow Gloucester cathedral's example. In Scotland, St Andrew's day has been marked by a public holiday since 2006. Many of us feel that St George's day is at least as important a day in England. Indeed, Shakespeare referred to

"Our ancient word of courage".

If the Church were to endorse the adoption of St George's day as a public holiday, would my hon. Friend join me in asking the Backbench Business Committee for an opportunity to debate the matter on the Floor of the House?

Tony Baldry: My hon. Friend makes a good point. It is worth recalling that St George's day was declared a public holiday as long ago as 1222. The House will of course have an opportunity to support the private Member's Bill tabled by my hon. Friend the Member for Stratford-on-Avon (Nadhim Zahawi), who represents the constituency in which Shakespeare was born and died on St George's day. For all those reasons, it is a good idea to have a public holiday to celebrate St George.

Mr Speaker: I call Ben Bradshaw. Not here.

Education

4. **Fiona Bruce** (Congleton) (Con): What recent representations the Church Commissioners have received on the role of the Church of England in education. [50781]

Tony Baldry: I thank my hon. Friend for her question. In this, the bicentenary year of the Church of England's National Society, the Church celebrates its long and distinguished history as a provider of primary and secondary schools, and the society's founding mission to provide an education for the poor in every parish, right across England, 50 years before state provision

began. The Church of England greatly values its continuing role as a provider of inclusive and ethically grounded education for children of all communities. During this bicentenary year, it is encouraging MPs to visit their local church schools to see for themselves the outstanding work of the staff in the diverse communities they serve.

Fiona Bruce: I thank my hon. Friend for that reply. In the light of the history of the Church's role in establishing education for all in this country, does he agree that it is right that those in government at all levels should applaud the role of faith in our country as an inspiration for the generous community spirit of so many in our society—and, indeed, as one of the key building blocks of the big society—through engaging constructively with the Church?

Tony Baldry: My hon. Friend is right. I am aware that Ministers and officials at the Department for Education are working closely with the Bishop of Oxford, who was recently appointed by the Archbishops as the new chairman of the board of education. The education division of the Church of England has a continual and constructive relationship with colleagues in the Department for Education. Recent conversations have included discussions about academies and free schools, as well as detailed discussions about recent legislation and the impact on existing Church schools' estate. In addition, the education division of the Church of England is planning two events in Parliament to celebrate the important work of Church schools. An exhibition will take place in the Upper Waiting Hall in July, which I hope right hon. and hon. Members will visit. There will also be a reception on the Terrace in October to celebrate the bicentenary of the National Society.

Listed Places of Worship

5. Diana Johnson (Kingston upon Hull North) (Lab): What recent discussions the Church Commissioners have had with Ministers on the future of the listed places of worship grant scheme. [50782]

Tony Baldry: The Church of England welcomed the Government's announcement last October that the listed places of worship scheme would continue beyond March 2011. We also accept the Government's need to return the scheme to its original scope of eligibility and to set cash limits for each year. Since then, the Church of England has had positive discussions with the Department for Culture, Media and Sport to determine how the scheme can operate as simply as possible to ensure that all the available money is paid out and that the Department's budget is not exceeded.

Diana Johnson: Will the hon. Gentleman continue to make sure that there will be discussions with all the key stakeholders to ensure that churches in the most deprived communities, where private donations are harder to get, do not suffer unfairly because of the changes to the scheme?

Tony Baldry: Absolutely. It is, of course, a fundamental principle of the Church Commissioners to make sure that Church resources are targeted at deprived areas.

Miss Anne McIntosh (Thirsk and Malton) (Con): Will my hon. Friend confirm whether, if lottery money is to be increased, it will also be good news for places of worship?

Tony Baldry: Yes, absolutely. Indeed, we need to lever in all forms of funding for church buildings, which are a very important part of our heritage. The Church of England looks after 19,000 churches, many of which are grade I listed buildings. We need to make sure that we find money from wherever we can to maintain that heritage for future generations.

ELECTORAL COMMISSION COMMITTEE

The hon. Member for South West Devon, representing the Speaker's Committee on the Electoral Commission was asked—

Enfranchisement (Non-residents)

7. Greg Hands (Chelsea and Fulham) (Con): What research the Electoral Commission has commissioned and evaluated on the enfranchisement in other countries of their non-residents. [50784]

Mr Gary Streeter (South West Devon): The Electoral Commission has not conducted research into the enfranchisement of non-residents in other countries. The commission does not take a view on the franchise, because that is a matter for Parliament.

Greg Hands: May I refer my hon. Friend to the statistic I mentioned earlier—that of 5.5 million British subjects living abroad, only 15,000 are on the electoral register? Can we learn something from the United States, which always encourages its nationals, when abroad, to register with their American embassy or consulate, while at the same time encouraging those citizens to register to vote? Could we not do the same thing?

Mr Streeter: My hon. Friend makes a very interesting and helpful suggestion. In its report on the administration of the 2010 UK general election, the commission called on the Government to bring forward proposals for a comprehensive modernisation strategy, which should include options for improving voting opportunities for overseas electors. I will make sure that Ministers considering that report, including the Deputy Prime Minister, are made aware of my hon. Friend's excellent suggestion.

Mr William Cash (Stone) (Con): Has my hon. Friend, as the representative of the Speaker's Committee on the Electoral Commission, been notified of whether local authorities have, in view of this question and the role of Parliament to which he has referred, provided an opportunity for people to use their electoral facilities and services for the purpose of promoting the alternative vote?

Mr Streeter: My hon. Friend, as usual, makes an important point. I am not aware of any such representations, but he has raised a serious matter, which we will of course look into.

Mr Speaker: We are grateful to the hon. Gentleman.

Social Mobility Strategy

12.32 pm

Ms Harriet Harman (Camberwell and Peckham) (Lab) (*Urgent Question*): To ask the Deputy Prime Minister if he will make a statement on the Government's social mobility strategy.

The Deputy Prime Minister (Mr Nick Clegg): Today, the Government are launching their strategy to improve social mobility. While our most urgent task is to sort out the nation's finances, our overriding mission is to take real steps towards a fairer society. To us, a fair society is an open society, one in which everyone is free to flourish and rise regardless of the circumstances of their birth. That is why the promotion of social mobility is the principal objective of the coalition Government's social policy.

It is simply unacceptable that so many of our children have their life chances shaped by the circumstances of their birth. Gaps in development between children from different backgrounds can be detected even at birth. By the age of five, bright children from poorer backgrounds have been overtaken by less bright children from richer ones—and from this point on, the gaps tend to widen still further.

That is why this Government are taking a life-cycle approach to social mobility, an approach where we seek to remove the obstacles to mobility at each stage of an individual's life—hence our new entitlements for free pre-school care for all two-year-olds from disadvantaged families and our pupil premium designed to narrow attainment gaps in the school years. Then we are creating an extra quarter of a million apprenticeships to boost mobility in the labour market, and opening up higher education so that children from all backgrounds can have the chance to go to university and end the scandal whereby the one in five children who are eligible for free school meals make up less than one in 100 entering Oxford and Cambridge.

We will continue to encourage fair access to jobs during adulthood and, in particular, we are tackling the long-standing problems caused by unpaid internships dominated by those from the most affluent backgrounds. The civil service is leading by example, and today my colleague Baroness Warsi announced an end to unfair informal internships in Whitehall. We are signing up companies and other organisations to a new business compact on social mobility, asking business to do its bit. It should be what you know, not who you know, that helps you to get a foot in the door.

We recognise, of course, that Government alone cannot single-handedly create a fairer society. It is a task for parents, communities, businesses, professions and voluntary organisations too. This is not just a Government mission; it is a national mission, and I hope that Opposition Members will support our drive to tackle the long-standing problems of social immobility in this country.

Low levels of social mobility clearly exact a high social price by cramping the opportunities of millions of children, but they damage our economy too, because talented individuals are denied the opportunity to develop their full potential. Of course it is not enough just to talk about social mobility. We need clear measures and a mechanism for accountability, and our strategy sets

out a clear framework for holding the Government to account on our ambitious proposals. We are creating a new statutory social mobility and child poverty commission to assess progress on child poverty and social mobility, to hold Government and others to account, and to act as an advocate for change. We have developed a set of leading indicators which will be used to track progress towards a more mobile society. For the first time, as Departments develop new policies, they will need to consider the impact on social mobility. I will continue to chair a group of Ministers to maintain the momentum for change.

Today's strategy sets out the concrete steps that the Government are taking to promote social mobility and an open and fair society. There are many policy and technical challenges in this area, and I am grateful for the support of Members in all parts of the House. Of course it is true that most people do not sit around talking about inter-generational social mobility, but at the heart of our strategy is a common instinct. It is the most natural feeling in the world for any parent to want their children to have the opportunities that they did not, and we can all agree that—as I said earlier—in a fair society what counts is how hard you work, not how much your parents earn. In a fair society, ability trumps privilege, and that is the society that the Government want to build.

Ms Harman: I am afraid that the Deputy Prime Minister gave up the right to pontificate on social mobility when he abolished the education maintenance allowance, trebled tuition fees and betrayed a generation of young people. When I heard that he was going to launch a commission on social mobility, I thought that it was April Fools' day. In just 10 months this Tory-led Government have launched an assault on opportunities for young people, especially the poorest.

Will the Deputy Prime Minister confirm that the new Office for Fair Access has no teeth? It is presiding over soaring youth unemployment, so why have the Government abolished the future jobs fund? For many young people, mobility now means a bus down to the jobcentre. Families with young children are feeling the squeeze, so why have the Government cut tax credits? The first few years are vital to a child's prospects, so why have they cut Sure Start?

The Deputy Prime Minister boasts about the pupil premium, but will he admit that the Government are cutting school budgets? He claims that he wants to improve social mobility, so why has he dropped section 1 of the Equality Act 2010, which would have legislated for all public authorities to play their part in narrowing the gap between rich and poor? In opposition he said that the Act did not go far enough, but now he is dancing to the tune of the Tories. Next he will be foxtrotting down to the Tory party's fundraising ball, auctioning City internships for the children of the highest bidder. Is that not the Government's idea of social mobility? We have further to go, but they are turning the clock back.

The Deputy Prime Minister says that he is on a mission to improve social mobility. Curiously, whenever he is on a mission to achieve something, the very opposite seems to happen. His support for EMAs saw them abolished, his determination to end tuition fees saw them trebled, and his commitment to no VAT rise

[Ms Harman]

resulted in a hike to 20%. Is there not a very important lesson here? If you care about something, the very last person whom you want on your side is the Deputy Prime Minister. He may be a man on a mission, but with him at the helm, it is mission impossible.

The Deputy Prime Minister: I am grateful to the right hon. and learned Lady for her calm, objective comments on the Government's social mobility strategy. May I just point out a little bit of context for her? Under Labour, in the last 13 years public spending more than doubled in cash terms from £300 billion in 1997-98 to over £600 billion in 2010, yet social mobility did not increase at all. When are she and her colleagues going to ask themselves some fundamental questions about why, despite all that extra public spending—they had money to spend; they have deprived us of that luxury—social mobility did not increase at all? We are trying to tackle this difficult dilemma: increased public spending does not, in and of itself, increase opportunity and social mobility. That is the serious question with which I hoped she would engage.

Secondly, there is nothing just, and it will not help social mobility at all, in saddling our children and grandchildren with this generation's debts. I cannot for the life of me understand how the—

Helen Goodman (Bishop Auckland) (Lab): Calm down!

The Deputy Prime Minister: No, I am worked up by the idea that the Labour party thinks that it is honest and right by the children and grandchildren of Great Britain to say that, according to the Labour deficit reduction plan, £14 billion-worth of cuts should be unveiled tomorrow—yet it has not had the decency to tell people where those cuts would fall. The right hon. and learned Lady's leader recently went to Hyde park and emulated Martin Luther King. I never heard Martin Luther King say, "I have a dream: we need cuts, but a little less and more slowly than the other lot want." We have got to engage in this seriously. This is a long-term project which requires a long-term approach.

On the education maintenance allowance, let me repeat the clarification I gave earlier: we are replacing the untargeted EMA with a targeted bursary fund—[*Interruption.*] The right hon. Member for Leigh (Andy Burnham) is yelling about this proposition from a sedentary position, but a former Labour Home Secretary himself conceded that EMA was always going to change as the compulsory education age rose to 17. We have put in place an annual bursary of £180 million for 12,000 of the most vulnerable young people, which is equivalent to about £38 a week. More money will go to 12,000 students, including young people who are in care or who have left care, those living independently, those whose parents have died, those with disabilities and teenage parents. That is our commitment to targeting help at those who most need it.

On fees—[*Interruption.*] Well, let me give the right hon. Gentleman some figures on fees. For the first time since fees were introduced by the Labour Government, no one at university, including the thousands of part-time students, will have to pay any fees whatsoever. As a result of the Labour system, thousands and thousands

of part-time students from low-income backgrounds have to pay an up-front fee. We are getting rid of that. Secondly, we are changing when people will need to repay for the benefits of having gone to university. If we want to be fair, we should remember yet again that it is estimated that the earning power of those who have gone to university will increase on average by about £100,000. It is therefore not unreasonable to ask people to make some contribution to that, but we are different in saying that that repayment should be made only when they are earning much more money than under the old system: £21,000 rather than £15,000. In practice, that means that while, yes, how much universities can charge will go up, in most respects—this is what Opposition Members refuse to acknowledge—the repayments for graduates will go down, so that every single graduate in the future will pay out less from their bank account every month than they do under the Labour system. That is fair, it is sustainable, and it will work.

Several hon. Members rose—

Mr Speaker: Order. Understandably, there is considerable interest in this matter, so there is some pressure on time. I therefore ask for brief questions and pithy replies.

Robert Halfon (Harlow) (Con): Does my right hon. Friend agree that the way to increase social mobility and social justice for our young people is not to leave them on the scrapheap, as the last Government did, but to increase the number of apprenticeships by hundreds of thousands?

The Deputy Prime Minister: I strongly agree. I think it shows our commitment to providing people with access to the labour market that we are increasing by a quarter of a million the number of apprenticeships available to young people, compared with the previous Government's plans. I repeat again that this is at a time when we are spending—I think—£400 million every single day in borrowing costs, which is enough to build a primary school every 20 minutes. Therefore, those deficit deniers on the Opposition Benches have to ask themselves again: "How do you promote social mobility on a morass of debt?" You cannot.

Hazel Blears (Salford and Eccles) (Lab): The right hon. Gentleman may be aware of the Speaker's parliamentary placement scheme, which is due to launch on 8 June and will provide paid parliamentary internships for people from working-class backgrounds. Does he agree that unpaid internships are exploitative and totally unacceptable in this day and age? Can he confirm that he has not employed and does not employ any unpaid interns himself?

The Deputy Prime Minister: I certainly welcome the efforts of the right hon. Lady and all those others who have been involved in the Speaker's excellent initiative; it is a small beginning but very significant. Of course I agree with her principle that internships should be not only advertised openly and transparently, so that there is a meritocracy in who applies for and secures internships, but properly remunerated. I can confirm that, as of today—[*Interruption.*] I think we would all accept that the way in which internships—in all parts of the House—have been administered and received in the past has left

a lot to be desired. Speaking as the leader of the Liberal Democrats, I can confirm that, as of today, we are making sure that advertisements for internships are name and school blind, so that there is a completely level playing field, and that proper remuneration is provided to those who secure internships. I do not say this in a competitive way, but I hope that we can move towards having that kind of approach across the whole Westminster estate.

Andrew Selous (South West Bedfordshire) (Con): I welcome the strategy's strong emphasis on reducing family breakdown. Does the Deputy Prime Minister agree that strong families are an engine of social mobility for many children in our nation?

The Deputy Prime Minister: Although I may not entirely agree with some of the suggestions that have been put forward as to how that might be reflected in the tax system, I strongly agree, of course, that strong families produce strong and self-confident children. I want to pay tribute to my right hon. Friend the Secretary of State for Work and Pensions for leading the debate, not only in Westminster, but across the country, on the link between family breakdown and repeat cycles of deprivation.

Mr Frank Field (Birkenhead) (Lab): May I welcome the statement that the Deputy Prime Minister made today? Although there are some noble exceptions, the life chances of most children in this country are determined by the age of five. Given that, what importance does he attach to the foundation years as the key driver of this new strategy?

The Deputy Prime Minister: I pay tribute to the right hon. Gentleman and thank him for the work he has done in his independent report. It cast a fascinating light on precisely the problem and dilemma he identifies, which is that many of the patterns of injustice, social inequality and social immobility set in very early and that, as a society, we have for too long embarked on remedial actions much later in life. It is not too late by then—that is too pessimistic a view—but it is a whole lot of more difficult and certainly more expensive to remedy at that stage problems that have their source when a child is very young. I certainly agree with the right hon. Gentleman on the approach to foundation years. We need to equip all children with what he has called “school readiness”, so that by the time children walk through the school gates they are in a better position to benefit from school. We want them to enjoy it and find it enriching, rather than end up as one of the small number who are distracted, bored and very disruptive at the back of the class. I should stress that that is bad for everybody in the class, so I strongly endorse his approach.

Eric Ollerenshaw (Lancaster and Fleetwood) (Con): This follows on from what the right hon. Member for Salford and Eccles (Hazel Blears) said. Does the Deputy Prime Minister agree that all parties in this place, most major professions, the media and most top businesses have been living in a glass house when it comes to the barriers to social mobility that informal internships have set, and that at least the coalition Government are beginning to show a lead on this particular issue?

The Deputy Prime Minister: I strongly agree with my hon. Friend's agreement with the previous question—if that is not too circular a way of putting it. I am delighted that today a number of large businesses from several fields—the media, accountancy and law—have said that they will play their part, not only by making sure they administer their own internship programmes more transparently, but by going out to schools. I was with a number of leaders from those professions in a school in Southwark this morning, talking to 15-year-olds in small groups about how they could aspire to become lawyers, accountants and politicians. That simple act of getting into schools and showing what is possible can have a galvanising effect on the aspirations of young people.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): May I tell the Deputy Prime Minister that many Opposition Members will view the strategy with interest? There are some things that we rather like about it, although we have some reservations. May I also tell him, however, that warm words will not work here? Specific professions have to be taken on in the hardest way, particularly lawyers. It is almost impossible for a young person from an ordinary background to get into law—to get a pupillage or anything like that—and it is almost impossible to get on to a Bar vocational course unless one has been privately educated.

The Deputy Prime Minister: I thank the hon. Gentleman for his kind words, although that will not do him any good on the Opposition Benches—he needs to be careful. I strongly agree with him that words and strategies are no good unless they are translated into action. Let me say two things. First, we have to be realistic. This is a deep-seated issue with quite profound social, economic and cultural antecedents, so we are not going to change things overnight. The challenge is going to far outlive this Parliament and, I suspect, the political career of everyone in the Chamber right now.

What we are trying to do in the announcement today is establish a mechanism of scrutiny and accountability in relation not only to what this Government do but to what all future Governments of whatever political complexion do, so that it is built to last. That is why I am very grateful for the work that the former Secretary of State for Health, Alan Milburn, did for the previous Government on internships and professions, and is doing in his current role as the interim chair of the new social mobility and child poverty commission. He is utterly independent and will produce an annual report on our progress against the indicators we have set out in the strategy, not to the Government but to everyone here in Parliament, so there will be totally independent, annual and regular scrutiny of how well or, indeed, how badly we are doing.

Amber Rudd (Hastings and Rye) (Con): Parents and teachers in Hastings warmly welcome the pupil premium that will follow children with free school meals, of whom we have a high number. Does my right hon. Friend agree that it is not just the money but the reforms proposed by the Secretary of State for Work and Pensions that will make the real difference in making social mobility a part of our lives?

The Deputy Prime Minister: One fact speaks for itself and confirms exactly what my hon. Friend says: the Work programme will take 900,000 people out of poverty altogether by providing the simple incentive that work always pays. It is a dramatic rebalancing of the benefit system and incentives to work, which will have a socially progressive effect.

Mark Durkan (Foyle) (SDLP): Notwithstanding what the Deputy Prime Minister has said, does he recognise that many of the measures introduced by the Government, in relation to child trust funds, child benefit changes, tax changes, tuition fees and the education maintenance allowance, will have a cumulative squeezing effect on many hard-working families? Is he not worried that the compound impact of those measures will damage the emancipation of aspiration and social mobility?

The Deputy Prime Minister: I would test Mr Speaker's patience if I went through each of the items that the hon. Gentleman mentions. I really believe that hon. Members should look in more detail at how the new higher education funding system will work and what it will mean for individual graduates in terms of money out of their bank account every month. They should look at how we are targeting the replacement for EMA in a way that really helps vulnerable children who would otherwise be impeded from going on into education, and at the effect of the new income tax allowance, which comes in tomorrow and will take 880,000 people, in one simple step, out of paying any income tax altogether. Hon. Members should look at the decisions in last year's Budget that reduced child poverty by about 50,000, and at the triple-lock guarantee for pensioners that their state pension will increase by either 2.5%, inflation or earnings. I could go on.

With those measures we seek, in difficult circumstances, to ensure that the most vulnerable are not affected. I repeat again that there is not a world of difference between the £14 billion-worth of cuts that is the Labour party's position and the £16 billion-worth of cuts next month. We have to bring down the deficit; otherwise we will saddle future generations with a dead-weight of debt around their necks, which will not allow them to move ahead at all.

Duncan Hames (Chippenham) (LD): Is my right hon. Friend satisfied that the charitable status of private schools adequately supports the objective of social mobility?

The Deputy Prime Minister: The key in education is always to make sure that the vast majority of schools—state-funded schools—have the resources, freedom and ability to provide the best possible education for their children and to make sure that children from those schools have the opportunity to go to our top universities. That should remain the focus of our attention.

Kerry McCarthy (Bristol East) (Lab): Several of us in opposition have been pushing the Government for some time for details about when they were publishing their child poverty strategy, but it was sneaked out under cover of a written statement today. Is it not shameful that the only way we can get any mention of child poverty in the Chamber is by the Opposition asking an urgent question on social mobility? Should we not have a proper debate on the strategy?

The Deputy Prime Minister: I think that is unfair. We published a written statement with the document at 9.30 am and I have just referred to child poverty figures and the effect of the Budget on them. Just to be clear, we have said that the child poverty strategy and the social mobility strategy are perfectly aligned. Why? It is because in our view simply taking a statistical snapshot view of child poverty, as happened in the past with the 60% of median income cut-off, does not capture why social mobility has not improved over generations. That is why we have tried to introduce a more well-rounded and fuller picture in what we have published today.

Damian Hinds (East Hampshire) (Con): I very much welcome the Deputy Prime Minister's focus on leading indicators, which build and draw on the work of the right hon. Member for Birkenhead (Mr Field). Of course, that makes it very important that we get the right indicators and make sure there is a sufficiently broad and balanced base. In the early years, which are so crucial, we know that some of the drivers are a healthy pregnancy, early attachment and spending time with baby, talking and reading to her. How will the leading-indicators approach fully reflect those key factors?

The Deputy Prime Minister: As the hon. Gentleman will see from the publication, some of the indicators seek to capture precisely some of the earliest indications of disadvantage, such as birth weight—there is a strong correlation between disadvantage and lower birth weight—but there are other things that we must do to make it more possible for mothers and fathers to provide the best possible start in life for all children. That is why we are determined, although it will take time, to introduce over time more generous and more flexible parental leave arrangements so that mothers and fathers can provide that vital care, nurturing and love that young children, wherever they are born, deserve.

Mr David Lammy (Tottenham) (Lab): The chief executive of Tesco earns 500 times what his colleagues who stack shelves earn, but his company gets a corporation tax reduction, and now even Leeds Metropolitan university wants to charge £8,500 in tuition fees. How will that promote social mobility?

The Deputy Prime Minister: The right hon. Gentleman should not jump the gun. Of the universities that have already declared how much they might want to charge, fewer than half have gravitated to the highest level. Of course, we cannot tell what that will mean for students and graduates until we know what it means per course and per individual. There are lots of waivers, fee reductions, bursaries and so on to consider. I stress again that the Office for Fair Access—this goes back to a question posed by the right hon. and learned Member for Camberwell and Peckham (Ms Harman) which I failed to answer earlier—is there not to micro-manage price but to insist that if any university is going to charge more than £6,000 it can do so only if it shows a significant change in the way it will be reaching out to, accommodating and accepting children from more disadvantaged backgrounds, who are still woefully under-represented at our universities.

Tony Baldry (Banbury) (Con): This is a welcome but huge cross-cutting agenda, which can be judged only on results. Will my right hon. Friend give an undertaking

that when the first annual report is published it will be accompanied by a ministerial statement, so that we can all have the opportunity to take stock of what progress has been made during the first year of this policy?

The Deputy Prime Minister: I strongly endorse that suggestion and I would be very keen to take it up.

Tony Lloyd (Manchester Central) (Lab): The Deputy Prime Minister quite rightly paid tribute to early years provision to support families. Can he tell me, on that basis, whether the Government are prepared to rethink funding for early years, particularly given the great success of the Sure Start scheme?

The Deputy Prime Minister: As I hope that the hon. Gentleman knows, we have made more than enough money available to secure the continuation of Sure Start centres everywhere. What is happening—I say this before he shakes his head—is that there seems to be a discrepancy in the pattern of how different councils are responding. For instance, I know that in the councils controlled by Liberal Democrats, not a single Sure Start centre has been closed. The money in the early intervention grant, I am sure I am right in thinking, is more than sufficient to keep Sure Start centres going, and we want to continue fully to support them.

Mr Peter Bone (Wellingborough) (Con): I do not doubt for one moment that Labour Members want to increase social mobility—they just do not know how to do it. Throwing money at it was clearly wrong. In the Deputy Prime Minister and the Secretary of State for Work and Pensions, we have two people who passionately believe in improving social mobility. Does the Deputy Prime Minister agree that it is not just money that solves this problem?

The Deputy Prime Minister: I agree absolutely. If money were the answer, we would be in the most socially mobile society on the planet. We more than doubled, in cash terms, the amount of money spent by Government between 1997 and 2010—from over £300 billion to well over £600 billion—yet social mobility did not advance at all. More profound factors such as education, health, housing, how the tax system works and how it interacts with the benefits system need to be looked at in the round. I hope that, bit by bit, we will, collectively, on both sides of the House, make progress on this.

Helen Goodman (Bishop Auckland) (Lab): Cuts in public sector jobs will disproportionately affect women. Is that because the Deputy Prime Minister agrees with the Minister for Universities and Science that the biggest barrier to social mobility in the last 30 years has been the advancement of women?

The Deputy Prime Minister: The welfare reforms, including universal credit, will massively benefit women who want to take up a little bit of work, a few hours a week. *[Interruption.]* I find it patronising and demeaning to say to people who want to work a few hours a week that that is not a proper job. That is extraordinary.

On public sector jobs, let me repeat something that the hon. Lady is clearly not aware of. Her own party is committed to unveiling, in 24 hours, £14 billion of cuts

to fulfil its deficit reduction programme. At the same time, her party is committed to £12 billion of extra spending. She cannot wave her finger at this Government until she tells us how she is going to reduce the deficit burden on future generations, because, without that element social mobility is impossible.

Mr John Spellar (Warley) (Lab): Can the Deputy Prime Minister confirm the story in today's *Evening Standard* that he secured his first internship through his father's influence in a Finnish bank?

The Deputy Prime Minister: Yes, I can. As a teenager, yes, I did receive an internship, as, I suspect, did many people around the Chamber. *[Interruption.]* Good for you if you did not. All of us should be honest and acknowledge that the way that internships have been administered in the private sector, the public sector, political parties, and—I discovered when we came into government—in Whitehall as well, under 13 years of Labour, left a lot to be desired. I was a recipient of that, as, I suspect, many others here were as well. That is what we need to change if we want to secure greater social mobility in the future.

Kate Green (Stretford and Urmston) (Lab): The commission on social mobility, established by the Deputy Prime Minister, observed that countries with the highest levels of social mobility also have the lowest levels of inequality. That is not the same as relative income poverty. I could not see a measure of inequality in the new suite of indicators. Can the Deputy Prime Minister tell us what his Government will do to reduce inequality, and particularly the way in which it is caused by excessive incomes at the top?

The Deputy Prime Minister: As the hon. Lady will no doubt know, as she is an expert in this field, the relationship between inequality and social mobility is a slightly fraught area of academic study. For instance, Australia has fairly similar, if not slightly higher, levels of inequality compared with us, but it has significantly higher levels of social mobility. The other problem, as she knows, is that measuring social mobility, particularly intergenerational mobility which is the focus of our attention, takes a long time. We have now set aside money to introduce a new cohort study, so that we do not continue to rely on information that is, in some cases, decades out of date.

I believe that the tax changes that we have introduced, taking a lot of people on low income out of paying tax, the closing of some of the loopholes at the top, the increasing of capital gains tax by 10%—*[Interruption.]* The hon. Lady frowns, but let us remember that, under the Labour Government, there was a grotesque loophole whereby cleaners were paying more tax on their wages than very wealthy financiers were on their dividends, and that is something that we have changed. We have imposed a £2.5 billion tax on the banks every single year, far surpassing the single pinprick of the bank bonus tax that she advocates. The action that we have taken in the past few months shows that we want to move in the direction that she advocates.

Grahame M. Morris (Easington) (Lab): The proportion of unpaid internships in the City of London will do nothing to improve social mobility in Easington. Does

[Grahame M. Morris]

the Deputy Prime Minister agree with the principal of East Durham college, who said, in relation to the education maintenance allowance,

"I believe the Department of Education made the wrong decision, and the disadvantaged young people in the North-East will suffer as a result. Many of our learners are genuinely worried about paying for transport to college next year?"

Are not the actions of this Government at odds with their rhetoric on social mobility?

The Deputy Prime Minister: If we had got rid of EMA and not replaced it with anything, that allegation would have some force. As I explained earlier, our replacement fund of £180 billion actually increases the amount of money—the equivalent of £38 a week for the most vulnerable youngsters in the education system—and provides significant funds—[*Interruption.*] The right hon. Gentleman says from a sedentary position that I am lying, so let me write to him to clarify exactly how the £180—[*Interruption.*] I find it quite extraordinary that, without listening to the question, he should bandy about such outrageous allegations. He has studied our proposals for several weeks, and what we are doing in response to input from directors and principals of colleges. They tell us that in order to address some of those transport costs, lunch costs and the cost of classroom materials they would like as much discretion as possible so that they can provide the money to the children whom they know really need the help.

Mr Speaker: Order. I trust that no right hon. or hon. Member will be accused of lying. I must say I heard no such allegation. I would just emphasise that, on the whole, sedentary chuntering is to be deprecated.

Sheila Gilmore (Edinburgh East) (Lab): Does the Deputy Prime Minister accept that dealing with social mobility needs a long-term plan? I, and many of my generation, were the beneficiaries of a great deal of help with social mobility as a result of the post-world war welfare state, created when the national debt was extremely high. Changes in social mobility in the last decade are far more likely to be influenced by the policies of the previous 20 years, when the Deputy Prime Minister's coalition partners were in power. Does he therefore agree that it is far too early to reach a judgment on the Labour Government?

The Deputy Prime Minister: Of course, to a certain extent, the hon. Lady is right to say, as I conceded earlier, that it is difficult to paint a detailed picture of something that is slow moving and for which we need more evidence. However, there is a lot of evidence to show that there is no correlation between a significant increase in social mobility and a significant increase in public spending. In cash terms, public spending more than doubled over the past decade, but there is precious little evidence that social mobility increased likewise.

John Cryer (Leyton and Wanstead) (Lab): Some 600,000 students will lose out through the abolition of the EMA, even allowing for the introduction of the Deputy

Prime Minister's scheme. Hundreds will be in my constituency. Does he imagine in his wildest dream—I imagine that his dreams are pretty wild—that any of those students will see that as a contribution to social mobility?

The Deputy Prime Minister: As the hon. Gentleman knows, and as was conceded by Secretaries of State in the previous Government, the EMA in its original design was always going to become a more targeted scheme as the compulsory education age increased to 17 and then to 18. That was made very clear when the EMA was first announced. A number of independent studies have been carried out. They vary a bit, but most of them seem to congregate around the conclusion that the proportion of those who really need support to stay in full-time education is no more than about 10%. What we have done with the £180 billion—

John Cryer indicated dissent.

The Deputy Prime Minister: The hon. Gentleman may shake his head, but this is an example of evidence-based policy. I know that he does not like it. He probably would not acknowledge it if it hit him in the head, but it is something that we are trying to do as a Government. We have provided sufficient money to boost, not to reduce, support for the most vulnerable youngsters and a significant discretionary fund to meet transport costs, lunch costs and classroom material costs.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Today's press release on civil service internships has no detail. How many places will there be on the fast-stream diversity scheme, and how much will interns be paid? Most importantly, how does the right hon. Gentleman expect the scheme to be delivered in three months' time when the Cabinet Office has only today asked external organisations to bid to run it?

The Deputy Prime Minister: I do not have detailed statistical answers to some of those questions, but I shall write to the hon. Lady as soon as I can.

Diana Johnson (Kingston upon Hull North) (Lab): Will the Deputy Prime Minister explain how Liberal Democrat-controlled Hull city council's decision effectively to mothball 13 of the city's children's centres and scrap the council's early years team will help social mobility in my constituency?

The Deputy Prime Minister: There is great diversity and variety between what different councils are doing. I know that in the city I represent not a single swimming pool, library or Sure Start centre has been closed, and there have been no more than 270 compulsory redundancies. People in Sheffield look across the Pennines to Labour-controlled Manchester and see a slash-and-burn approach, whereby 2,000 people have been summarily dismissed and one public service after the next has been closed. I think that that comparison speaks for itself.

Mr Speaker: I thank the Deputy Prime Minister and colleagues for their co-operation.

British Nationals (Eritrea)

1.11 pm

Mr Ian Liddell-Grainger (Bridgwater and West Somerset) (Con) (*Urgent Question*): To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on the steps being taken to gain consular access to, and secure the release of, the British nationals taken prisoner by the Eritrean authorities in December 2010.

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Henry Bellingham): I praise my hon. Friend the Member for Bridgwater and West Somerset (Mr Liddell-Grainger) for taking up this case on behalf of his constituents, and my hon. Friends the Members for Daventry (Chris Heaton-Harris) and for Northampton North (Michael Ellis) for the efforts that they have made.

I reassure the House that I and Foreign Office officials across the world are working to ensure that our ambassador is given consular access to all the men. I am very concerned, as it has now been more than three months since they were detained. As I am sure Members will appreciate, we cannot interfere in the judicial process of another country or request that the men be released, but under the Vienna convention we should be allowed to check on the welfare of detained British nationals.

It might help the House if I give the background to the case. On 24 December last year, the FCO was notified of the disappearance of a UK-registered vessel off Eritrea. The British ambassador in Asmara was subsequently advised that four British nationals on board had been detained by the Eritrean navy. The Eritrean authorities have not officially informed us of the circumstances surrounding the men's detention, or of any charges being made against them. The men's employers have told us, however, that it appears to be for the non-payment of fuel.

The United Kingdom and Eritrea are part of the Vienna convention on consular relations, which states that, among other things, consular access should be provided to detained foreign nationals in a "timely manner". This is usually interpreted as meaning 24 to 48 hours. The fact that we have not received any response from the Eritrean authorities after nearly four months is deeply troubling.

Since the detention of the men, I have summoned the Eritrean ambassador, Tesfamichael Gerahtu, three times and spoken to him on five or six other occasions specifically to request, and to make clear the importance we attach to gaining, consular access. Indeed, I summoned him this morning for an interview without coffee to emphasise the importance of consular access and of our need to receive a response to all our requests. I have also written to the Eritrean Foreign Minister, Osman Saleh, to reiterate this request and to ask to speak to him urgently. I have not received a response.

Our ambassador in Eritrea has made regular representations to the Eritrean authorities to gain consular access, including to the Foreign Ministry and the office of the President. As of yet, there has been no formal response from the Eritrean Government to these requests, but our ambassador will continue to push for a response. The Foreign Secretary has instructed British embassies in several capitals, including New York, Beijing, Nairobi

and Khartoum, to raise this issue as a matter of priority with their local Eritrean ambassadors. They have done so and the Eritrean ambassadors have agreed to report our concerns to Asmara.

Most recently, on 25 March, my right hon. Friend the Secretary of State for International Development requested a telephone call with President Isaias to discuss the issue. We have not yet had a formal response. In the event that President Isaias does not agree to a telephone call, or that it does not result in consular access being granted, the Foreign Secretary will write to him to reiterate our request and to make it clear that we take Eritrea's non-compliance with the Vienna convention very seriously and will look to take tough measures in response, if necessary.

We have changed our travel advice for Eritrea specifically to highlight the difficulty in securing consular access and in our being able to provide general consular services. We encourage people considering travel to Eritrea to take into account the restrictions placed by the Eritrean Government and the lack of consular access. We will continue to push this issue until access is granted. If this means taking a different and more robust approach, we are prepared to do exactly that.

Mr Liddell-Grainger: I thank my hon. Friend and the Foreign Office for all the help they have given; we all know that the situation is extremely difficult, and we know the Eritreans of old.

What information has the Minister had from the EU, and can we ask it for help? The United Nations has access to many countries where, perhaps, we are not so popular. Can the Minister arrange some form of access to Eritrea for UN people? Finally, and perhaps most difficult, could the Foreign Office send an envoy, almost to camp on the Eritreans' doorstep, primarily to get the British nationals out? It is not acceptable, in any country, for there to be no access, certainly not since Christmas eve, or for us not to know whether our nationals are being held in humane conditions or being subjected to any form of torture or hardship.

I urge the Minister to continue what he is doing, although I suspect that more meetings without coffee might be the order of the day.

Mr Bellingham: I again congratulate my hon. Friend on pursuing the case with such tenacity and determination.

We will discuss this with our EU counterparts and, indeed, with every EU Foreign Minister. Although the EU and the UN would not normally get involved in consular cases, this issue goes beyond one consular case because it involves non-compliance with the Vienna convention and it is extremely serious. That is why we shall urge the EU to put on as much pressure as possible. I know that the EU generally is very concerned about the lack of movement that its ambassadors are allowed in Eritrea and the consular support they are able to give their citizens.

I was at the UN in New York at the start of the month and mentioned the case to the Eritrean permanent representative. Although organisations such as the UN and the African Union do not get involved in consular cases, this has gone beyond the principle of dealing with a consular case to the complete lack of adherence to the Vienna convention, which is why it is so serious.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I join the Minister in congratulating the hon. Member for Bridgwater and West Somerset (Mr Liddell-Grainger) on securing this important urgent question and on his efforts on behalf of his constituents and those of the hon. Members for Daventry (Chris Heaton-Harris) and for Northampton North (Michael Ellis). The Minister has Labour's full support in his efforts and in all that he has outlined today.

I take this opportunity to welcome the efforts of the British consular services in addressing the difficult challenges in this case and, more broadly, in accessing and assisting British nationals encountering difficulty overseas. In the light of today's case and of other recent events in north Africa and the middle east, will the Minister update the House on the lessons being learned by British consular services in obtaining access to and supporting British nationals facing danger overseas?

We are concerned by the lack of progress with human rights in Eritrea, as detailed in the recent Foreign and Commonwealth Office "Human Rights and Democracy" report. We are also concerned about the ongoing border dispute between Eritrea and Ethiopia—a conflict that has cost the lives of 100,000 people—and Eritrea's alleged support for Islamist rebels in Somalia. Will the Minister take the opportunity of today's urgent question to update the House on the Government's efforts to promote peace, human rights and security in Eritrea and the wider region?

Mr Bellingham: I thank the hon. Gentleman for his remarks and his generous praise for the FCO's consular service, which does an excellent job, often in difficult circumstances. They are perfectionists. They put the duty of care to UK citizens absolutely at the heart of their work. I believe that they are always looking to improve their service and to learn lessons. I can assure him that if lessons can be learnt from this case, we will certainly learn them.

On the point about human rights in Eritrea, I certainly agree that the lack of political, religious and media freedoms and the policy of sometimes indefinite military conscription are big concerns. As the hon. Gentleman pointed out, we have added Eritrea as a country of concern in the latest FCO human rights report because of the lack of progress being made on those concerns. With regard to Eritrea's alleged support for terrorism in the horn of Africa, particularly in Somalia, as he knows, we helped to sponsor UN Security Council resolution 1907, which put an arms embargo on Eritrea. Indeed, there is provision in the resolution to impose a travel ban and an asset freeze. I can update him that the monitoring group dealing with that will report later this year. We certainly urge Eritrea to improve its human rights record, comply absolutely with the UN resolution and sort out this very serious consular case, because until that happens we will be unable to have a normal bilateral relationship with that country.

Michael Ellis (Northampton North) (Con): I congratulate my hon. Friend on his statement and the work that he, the Foreign and Commonwealth Office and the consular service have done so far. Several months have now elapsed and Eritrea has been wholly unresponsive to our entreaties. Even failed states and narco-regimes tend to take our telephone calls, but Eritrea has not.

The individuals concerned need the continued help and assistance of Her Majesty's Government. We have no idea in what conditions they are being detained. Will he assure the House that every effort will continue to be made to obtain proper consular access for those individuals and, if necessary, to escalate the situation so that Eritrea understands the import of our demands?

Mr Bellingham: I am grateful to my hon. Friend, because he too has taken a close interest in the case. I certainly agree that we have been incredibly patient. We have made telephone calls and demanded that Eritrea comply with the Vienna convention. As I said in my statement, we will now look at more robust measures. I made it very clear to the Eritrean ambassador this morning that there is a range of robust measures that we could take. Indeed, the Foreign Secretary is fully apprised of this and is looking at exactly what additional tough and robust action we can take. My hon. Friend alluded to the point that my hon. Friend the Member for Bridgwater and West Somerset made a moment ago about sending a special envoy, which we have certainly not ruled out. We have an ambassador in Asmara who is doing her level best to get consular access, but we will certainly consider sending a special envoy to demand consular access if it is shown that that would be beneficial and if we feel that results could flow from it.

Mike Gapes (Ilford South) (Lab/Co-op): I congratulate the hon. Member for Bridgwater and West Somerset (Mr Liddell-Grainger) on raising the matter and the Government on including Eritrea as a country of concern in the human rights report published last week. Is there a possible role for other African countries in resolving the issue, and would the Minister say a little more on the question of Eritrea's relations with its neighbours?

Mr Bellingham: I am grateful to the hon. Gentleman, because in his time as Chair of the Foreign Affairs Committee he obviously had substantial involvement with the horn of Africa. On his first point, it is a consular case, rather than an African issue as such. However, as I said a moment ago, this has gone beyond what I would describe as a routine consular case, which would be a purely bilateral matter. That is why we will involve the EU, the UN and possibly the AU. We will do that because we feel that the matter is tarnishing Eritrea's reputation substantially. Furthermore, I agree with him that until Ethiopia and Eritrea resolve their border dispute and the demarcation of the border, there will be simmering discontent and a malaise between them that will make dealing with either country to try to solve issues such as this or the problems in Somalia much more difficult. That is why solving the border dispute is so incredibly important.

Martin Horwood (Cheltenham) (LD): I congratulate the hon. Member for Bridgwater and West Somerset (Mr Liddell-Grainger) and other hon. Members who are pursuing the interests of their constituents in this regard. I also congratulate the British Government on their persistence. Given the failure of the Asmara Government to abide by international standards, both in respect of consular access and in many other regards, are the British Government exploiting all the possible informal channels, including non-governmental organisations and

possibly religious leaders and influences, to try to get some kind of traction with this unco-operative Government in Eritrea?

Mr Bellingham: I thank the hon. Gentleman, because he makes a good suggestion. We should leave no stone unturned. We have been very patient and gone through the usual channels, but now we will look at a menu of more robust action. For obvious reasons, it would be inappropriate for me to tell the House what that action might be. I agree that involving charities, businesses, NGOs and Churches might be a very good move. I simply add that on the two occasions on which I have met the Eritrean Foreign Minister, he has impressed upon me how incredibly keen he is to improve relations, build business links between our two countries and work together on issues such as solving human rights problems.

Michael Ellis: He is not doing a very good job.

Mr Bellingham: I quite agree. He made it very clear that that is what he wanted to do, but I made it clear to him in my letter that all that has been put in jeopardy by the total non-compliance with the Vienna convention.

Christopher Pincher (Tamworth) (Con): Piracy off the horn of Africa is increasing, with the use of mother ships extending the pirates' range, and we are also seeing evidence of piracy taking place off the west coast of Africa. What steps is my hon. Friend taking to encourage the Eritrean authorities to tackle piracy? If those steps come to nothing, is he prepared to adopt a more muscular policy to deal with piracy on the high seas?

Mr Bellingham: I am grateful to my hon. Friend, because piracy, as he rightly points out, has reached a new and worrying level. There are 40 vessels now under pirate control and in excess of 600 hostages. Of course we are looking at what happens at sea—the Royal Navy has three warships off the horn of Africa as part of the counter-piracy effort—but it is very important that a solution be found on land so that capacity can be built, such as detention facilities and prisons for when pirates are convicted. That is why the UK recently gave £6 million to support projects being delivered by the UN Office on Drugs and Crime. I agree with him that it is very important that all the regional maritime states work together to try to counter the evil of piracy.

Chris Heaton-Harris (Daventry) (Con): I thank the Minister for his answers so far on the urgent question. I very much appreciate the work that he, the Foreign Office and the desk officers at the consular directorate have done to keep me up to date on the possible whereabouts of my detained constituent and to inform his wife of any changes. Eritrea is in gross breach of the Vienna convention, and I wonder whether a meeting without coffee is quite strong enough. I urge the Minister to escalate to the robust action that he mentioned in his statement as quickly as possible to get our constituents out of that place.

Mr Bellingham: I am grateful to my hon. Friend, because he has been very patient, as indeed have the families of the men who have been detained. As I made clear to him when we met, we are in no way trying to interfere in the court case or in any action that might be taken, but we are demanding consular access. I agree that the time has come to embark upon more robust action. The Foreign Secretary is fully apprised of this and has approved a strategy to take more robust action if need be. We will have to wait and see whether the Eritrean ambassador acts on the demands we made this morning. If he does not, we will have to go down that route. I thank my hon. Friend and the families involved once again for their patience.

Dr Andrew Murrison (South West Wiltshire) (Con): In his interview without coffee this morning, did the Minister get any closer to determining from the Eritrean ambassador the reasons underpinning the detention of these individuals, as the given reasons appear wholly inadequate?

Mr Bellingham: I am grateful to my hon. Friend for that question. We are demanding consular access under the Vienna convention, of which both Eritrea and the UK are members. All we are asking for is the opportunity to check on those men, to check their welfare and to inform the families accordingly. We are not trying to interfere with the judicial process, and we are not in any way trying to cast aspersions on their detention as such. I think that the Eritrean Government are confusing the two, but we are doing our level best to make sure that they understand their responsibilities and duties under the convention.

Points of Order

1.30 pm

Chris Bryant (Rhondda) (Lab): On a point of order, Mr Speaker. You will know that it is the convention of this House that, when there are changes to the Government, they are notified to this House and to you personally. I just wondered whether you had had any notification of changes to the Government, and in particular whether any members of Plaid Cymru, the Welsh nationalist party, have notified you that they intend to sit on the Government Benches. I ask, because in the past few weeks some anonymous leaflets have been published, urging people to vote Conservative in Cardiff North, Clwyd South, Clwyd West, Vale of Glamorgan and Gower, Plaid Cymru in various other places and Liberal Democrat elsewhere.

The website, it turns out, is not quite so anonymous, because it has clearly been produced by people working in the office of the leader of the Welsh nationalists, Mr Ieuan Wyn Jones, so I can only presume that, as he and his office are now urging people to vote Conservative in constituencies in Wales, Plaid Cymru Members intend now to sit on the Government Benches.

Mr Speaker: I have received no such indication of a change in the membership of the Government, and it is not apparent to me that what has just been said constitutes a point of order, but the hon. Gentleman has his concerns on the record. If I were a far less charitable person than I am, I might think that he was engaged in the grubbiest form of political point scoring, but, because I am so charitable, I of course do not think any such thing.

Chris Williamson (Derby North) (Lab): On a point of order, Mr Speaker. In answer to my question during Communities and Local Government questions yesterday, the Under-Secretary of State for Communities and Local Government, the hon. Member for Hazel Grove (Andrew Stunell) said that

"no local authority in this country faces a reduction in its real expenditure of more than 7.7%".—[Official Report, 4 April 2011, Vol. 526, c. 729.]

The reality is that 29 local authorities will see a reduction of 8.8%. Could you advise me on the procedure to bring the Minister back to the House to apologise and to set the record straight?

Mr Speaker: The short answer to the hon. Gentleman is that he should contact the Table Office to seek advice on how best to pursue the matter that concerns him. He has made his point this afternoon, and it will have been heard by Members on the Treasury Bench, but it is essentially a matter of political argument and certainly not a procedural matter on which I can rule, so the best advice that I can give him is that which I have just offered.

Dianna Johnson (Kingston upon Hull North) (Lab): On a point of order, Mr Speaker. During questions to the Attorney-General earlier today, the Attorney-General

accused me of asking an improper question. As my questions were about rape, the levels of rape convictions and how the coalition cuts would impact on those important matters, I was concerned that the Attorney-General should accuse me of asking such a question. Can I seek an apology from him, and can you advise me of the best way of doing that?

Mr Speaker: As to whether the hon. Lady will extract an apology, I do not know, and I cannot advise her on that. I can offer her the advice that I just offered the hon. Member for Derby North (Chris Williamson) in relation to his point of order, which is that she might wish to approach the Table Office for advice on how she can pursue the matter if she judges it necessary to do so.

For my part, I can say only that I did not hear anything disorderly, but I shall of course peruse *Hansard* tomorrow. In so far as I am being asked why the statement that was made was made, I am afraid that I obviously have no idea. I know the Attorney-General very well, because he is a constituency neighbour of mine, and he is an immensely intelligent and cerebral man, but it is expecting too much to expect the Speaker to be able to penetrate the inner recesses of the Attorney-General's very well-furnished mind. I am in no position to do so.

Mr Nigel Dodds (Belfast North) (DUP): On a point of order, Mr Speaker. Earlier today the writ was moved for a by-election and the announcement made of an appointment to the distinguished office of profit under the Crown of the manor of Northstead. I would be grateful if you could confirm whether Mr Gerry Adams, the previous occupant of the post, now sadly deposed from his stewardship and office of profit under the Crown, at any point, as is provided for under the Disqualification Act 1975, turned down or refused that office?

Mr Speaker: I cannot give an answer to the right hon. Gentleman on that point, and I fear that once again, unaccountably, the point that has been raised—although possibly a point of great interest, not least to the right hon. Gentleman—does not quite amount to a point of order. I think that tact and constraints on time suggest that I should leave it there.

BILL PRESENTED

SUSTAINABLE ENERGY (LOCAL PLANS) BILL

Presentation and First Reading (Standing Order No. 57)

Martin Horwood, supported by Mr Tim Yeo, Dan Rogerson, Joan Walley, Sir Peter Bottomley, Lorely Burt, Caroline Lucas, Sir Alan Beith, Martin Caton, Jim Dowd, Tom Brake and Andrew George presented a Bill to promote energy efficiency; to require local authorities to publish sustainable energy plans; to make provision for a transfer of functions to principal councils; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 25 November, and to be printed (Bill 179).

Electoral Registration, Identification and Eligibility for Voting

Motion for leave to bring in a Bill (Standing Order No. 23)

1.35 pm

Mike Gapes (Ilford South) (Lab/Co-op): I beg to move,

That leave be given to bring in a Bill to improve electoral registration; to introduce identification of voters and other measures to combat electoral fraud; to widen the franchise to allow all those over 18 legally resident in the United Kingdom to vote; to strengthen measures to control negative campaigns by third party groups and websites; and for connected purposes.

There has been much comment recently about our electoral system and the way in which it works. The Parliamentary Voting System and Constituencies Act 2011, which will reduce this House to 600 Members and necessitate the complete upheaval of boundaries, has come into law; the Fixed-term Parliaments Bill is in the other place; and in a month's time there will be a referendum on the voting system for parliamentary elections. Despite those sometimes controversial changes, there remain other matters that, in my opinion, are as serious or more serious and require urgent attention. The Bill before us is about three of those areas: electoral registration, the identification of voters and the prevention of fraud, and the safeguards against abuse by third-party groups and negative campaigns, including on websites.

On electoral registration, in March 2010 the Electoral Commission produced a report entitled, "The Completeness and Accuracy of Electoral Registers in Great Britain". It concluded:

"Under-registration and inaccuracy are closely associated with the social groups most likely to move home...under-registration is notably higher than average among 17-24 year olds (56% not registered), private sector tenants (47%) and black and minority ethnic (BME) British residents (31%)."

It also referred to

"a declining motivation to register to vote"

among certain groups, and it said that

"under-registration was significantly higher in Greater London than it was in England and Wales as a whole."

The situation since 2000 has got worse, and that year under-registration was at 18% in inner London and 11% in outer London, whereas it was at 6.9% in England, 6% in Wales and 7% in other English metropolitan areas. For new Commonwealth citizens and members of ethnic minorities, under-registration was at 17%. As a result, there are clearly problems with the accuracy of the register of electors in different constituencies, and, given the other legislation to which we have already agreed, there are potential difficulties with the elections that will probably be held in 2015. As a result, we will potentially be in a situation where the boundaries that are to be drawn up in the next two years will be based on figures that are not accurate, and as a result there will be, according to some estimates, up to 3.5 million voters missing from the electoral registers throughout the United Kingdom.

The first thing that I wish to do through this Bill is to place a greater obligation on local authorities, and electoral registration officers of local authorities, to ensure that the electoral registration process is carried out more accurately than it has been in the past. Some

local authorities take these matters extremely seriously and get a 95%-plus return of forms from households in their constituencies. Others make less effort and put in fewer resources and get 80%, or even lower, and that then impacts on the nature of the population that is registered and, potentially, on the resources that come to that area to meet the needs of the community. There should be much greater obligations on local authorities. If we are not going to have a national registration scheme, then we should at least ensure that local registration is done more efficiently and effectively, and we need to make sure of that in legislation.

In addition, we have a very strange electoral registration system. Someone who is a British citizen, a Commonwealth citizen with leave to remain in the UK or a citizen of the Republic of Ireland can vote in all elections in this country. Someone who is a European Union citizen from any other EU state except the UK or Ireland can vote in local elections and European elections. However, someone who is a long-standing resident of the United Kingdom who happens to be Norwegian, Swiss, American, Mexican or Filipino, and who is married to a British citizen, has children born in this country and is paying taxes, can have no right to take any role within our democratic process. Those anomalies and inconsistencies need to be addressed. *[Interruption.]* Conservative Members may heckle, but are they content that people who have been living in Britain for 40 or 50 years, with grown-up children, making a contribution to our society, have no democratic rights? We need to address that issue and modernise our systems to bring it into play.

At the same time, we need to look at the measures on how we check against electoral fraud in the UK. Northern Ireland has gone further than England, Wales and Scotland, where the Electoral Commission has brought in a permissive approach. The Political Parties and Elections Act 2009 talked about asking for voter identifiers and said that the issue would be revisited in future, but it needs to be taken further. There have been too many examples of people abusing the electoral system, impersonation and other kinds of activities. We need to check people's IDs, not just requiring them to give a name and address when they go to vote but asking for a driving licence or a document of some kind with their name on it to ensure that impersonation is not going on.

The other matter that I wish to raise is what happens in so-called non-party campaigns in elections. Last year, the Electoral Commission published a document called an overview which sets out the laws relating to groups that intend to put out literature commenting on candidates or issues during an election campaign but are not fielding candidates. There is a regulated period and various other requirements, but they are not working. An enormous number of groups, local and national, do not register, and some organisations have websites. During the last general election, a group called the Muslim Public Affairs Committee UK targeted Labour MPs and candidates, with downloadable leaflets and other material attacking people whom they were trying to get out of Parliament. It was able to put out tens of thousands of leaflets without any restriction—negative material arguing against sitting Members of Parliament and encouraging people to vote for other candidates. In some constituencies where the result changed, Liberal Democrats or other people were elected having been beneficiaries of this negative campaigning. We should

[Mike Gapes]

tighten up the rules to regulate what can be put on the internet. We could also prosecute people who have downloadable material that does not have imprints. We need to ask the Electoral Commission to take these matters far more seriously, and that is why I am proposing this Bill.

1.45 pm

Robert Halfon (Harlow) (Con): I have great respect for the hon. Member for Ilford South (Mike Gapes), and I have no problem with some of his Bill, which has the worthy aim of improving electoral registration, together with other measures to combat electoral fraud. So it is with genuine regret that I must oppose it, as I have serious concerns about the last clause, which seeks to "strengthen measures to control negative campaigns by third party groups and websites."

Effectively, he is calling for regulation of the internet. He has built a Trojan horse of censorship under cover of making every vote count fairly. His proposal is wrong for two reasons: it would amount to a huge assault on individual freedom of expression, and it is unenforceable.

Last Friday, the hon. Gentleman said in an interview on the "Today in Parliament" programme—I almost choked on my hot chocolate—that he objects to so-called attack websites because they can be "very effective in the modern world".

I agree that all election materials must be sourced and that publishers must be clearly identified. He went further when he said:

"It is not just attack websites. I think there should be a framework whereby publishing materials about elections, about candidates—either promotion, or negative campaigning—needs to be brought within the normal election law."

The interviewer put it to him:

"You do wonder if the cure might be worse than the disease on this. You might stop people who want legitimately to comment on an election, because they have to go through some massive registration process."

His reply went precisely to the heart of the problem when he said:

"I am not calling for censorship. I am calling for regulation."

That is a false argument, because when it comes to free expression, regulation is censorship by another name. With free expression, regulation is censorship of the worst kind, because it deters amateur enthusiasts, small neighbourhood groups and free-thinking individuals. Any increase in red tape and bureaucracy would leave the battle of ideas to special interest groups: the rich, the media establishment, those with extreme views, and professional groups such as trade unions and political parties. The hon. Gentleman justifies his reform by saying that

"other election literature is restricted".

However, I believe that election literature is too restricted as it is. There are too many rules regarding second and third-party endorsements, for example, and the Electoral Commission regulations can be a minefield.

Let us take the case of Phil Woolas, which the hon. Gentleman raised in his interview on BBC Radio 4. He said that that case proves the need for "greater regulation" of election materials, "especially on the internet". During

the Phil Woolas case, I went on television to oppose his removal by the election court because I saw it as an outrageous attack on parliamentary democracy. I accepted that the judge acted under the law, but the law in this case is wrong—a sitting MP must be removed by voters, not unelected judges. The new recall system will help. If an MP has libelled his opponents, he should of course be sued for libel, but the election of MPs must be up to voters to decide.

My fear is that the Bill almost risks a throwback to the 1950s, when interviewers on television programmes had to ask Ministers, "What wonderful work are you doing today?" The hon. Gentleman's Bill, if successful, would produce a 21st-century version of that: electioneering on the internet that is bland and without colour. Fortunately, we now live in an open society with social networking and blogging where communication is of paramount importance. The citizen is no longer a subject but an autonomous individual.

We are regularly criticised on Twitter and other social media sites—sometimes outrageous or even libellous things are written, and I have also been a victim of some of the things that the hon. Gentleman described—but that is mostly part and parcel of politics. I do not believe we should bring in a law to stop it, because it is the essence of a free society. Negative campaigning, however frustrating, is part of free speech and we must hope that the truth will ultimately shine through in a marketplace of ideas.

We must ask whether the criminal justice system is the right way of dealing with the problems that the hon. Gentleman has identified. Once we interfere with what happens on the internet, where will that stop? The loss of freedom rarely happens all at once; it is usually incremental. First, we restrict free expression on the internet at election times and then we restrict it altogether.

My second objection is that the provision is clearly unenforceable, as the hon. Gentleman said on BBC Radio 4. Web postings can be made overseas and domain names can be registered in different territories. Even if we restrict one individual from commenting, it will be like the Hydra's head: another will pop up in its place.

We all know what Voltaire said, but as a good Tory let me quote Hayek:

"In any society freedom of thought will probably be of direct significance only for a small minority. But this does not mean that anyone is competent, or ought to have the power, to select those to whom this freedom is to be reserved."

That is why, although I have great respect for the hon. Gentleman and support much of his Bill, I cannot let it pass through the House unopposed.

Question put (Standing Order No. 23).

The House divided: Ayes 30, Noes 86.

Division No. 254]

[1.51 pm]

AYES

Bayley, Hugh
Burden, Richard
Clwyd, rh Ann
Crausby, Mr David
Durkan, Mark
Flynn, Paul
Gapes, Mike
Gardiner, Barry
George, Andrew

Gilmore, Sheila
Glass, Pat
Glendon, Mrs Mary
Hilling, Julie
Hood, Mr Jim
Hopkins, Kelvin
Jackson, Glenda
Jarvis, Dan
Lloyd, Tony

Llwyd, rh Mr Elfyn
MacShane, rh Mr Denis
Meale, Mr Alan
Michael, rh Alun
Morrice, Graeme (*Livingston*)
Robinson, Mr Geoffrey
Skinner, Mr Dennis
Stringer, Graham

Whitehead, Dr Alan
Williams, Hywel
Williams, Roger
Winnick, Mr David

Tellers for the Ayes:
Steve McCabe and
Mr Virendra Sharma

NOES

Baker, Steve
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Bebb, Guto
Beith, rh Sir Alan
Binley, Mr Brian
Brake, Tom
Brazier, Mr Julian
Bridgen, Andrew
Bruce, Fiona
Bruce, rh Malcolm
Byles, Dan
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Davis, rh Mr David
de Bois, Nick
Dodds, rh Mr Nigel
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Foster, rh Mr Don
Fuller, Richard
Gale, Mr Roger
Garnier, Mark
Gilbert, Stephen
Gray, Mr James
Griffiths, Andrew
Gyimah, Mr Sam
Halfon, Robert
Harris, Rebecca
Hinds, Damian
Hollingbery, George
Hollobone, Mr Philip
Horwood, Martin
James, Margot
Johnson, Gareth
Johnson, Joseph
Kirby, Simon
Kwarteng, Kwasi

Latham, Pauline
Laws, rh Mr David
Leadson, Andrea
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Lopresti, Jack
Maynard, Paul
McCartney, Karl
McIntosh, Miss Anne
McPartland, Stephen
Munt, Tessa
Parish, Neil
Patel, Priti
Percy, Andrew
Phillips, Stephen
Pincher, Christopher
Raab, Mr Dominic
Redwood, rh Mr John
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Smith, Henry
Smith, Julian
Smith, Sir Robert
Stewart, Iain
Stuart, Mr Graham
Swales, Ian
Tomlinson, Justin
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Walker, Mr Charles
Walker, Mr Robin
Weatherley, Mike
White, Chris
Williamson, Gavin
Willott, Jenny
Wright, Simon

Tellers for the Noes:
Mr Peter Bone and
Chris Heaton-Harris

Question accordingly negatived.

Humanitarian Relief and Libya

Madam Deputy Speaker (Dawn Primarolo): Before I call the Secretary of State to move the motion, I inform the House that the time limit on Back-Bench speeches in the debate on humanitarian relief and Libya is 10 minutes. We will then revert to the six-minute limit.

2.4 pm

The Secretary of State for International Development (Mr Andrew Mitchell): I beg to move,

That this House has considered the matter of Britain's contribution to humanitarian relief and Libya.

At the outset, I pay tribute to the seven United Nations staff who were murdered at the weekend in Mazar-e-Sharif.

The Prime Minister made a firm commitment to keep this House fully informed in respect of our actions in Libya. I am grateful for this opportunity to update Members on the action that the Government are taking, and on our contribution to this and other humanitarian crises.

I begin by reminding the House of the dire consequences that the recent United Nations resolution, resolution 1973, sought to stop. Gaddafi's forces were advancing on Benghazi: as he told his own citizens "We are coming tonight" and

"there won't be any mercy".

He was a leader intent on murdering innocent women and children, and on shattering lives. At that moment, the world was faced with a stark choice: it could stand by and watch, or it could intervene to stop an Arab Srebrenica. We can reflect on the fact that Britain, France, the United States, Arab states and other countries agreed, through the auspices of the UN, that they would indeed face up to that challenge. We should all be grateful to the leaders who had the courage of their convictions and who ignored the soi-disant experts who said that nothing could be done.

Many of us in this House have absorbed the bitter lessons of the international community's failure to act when the Rwandan genocide was executed ruthlessly over 90 days in 1994. We have no intention of making the same mistake again.

Mr Tobias Ellwood (Bournemouth East) (Con): I congratulate my right hon. Friend and the Government on the robust approach that we have taken on Libya. He mentioned Rwanda, but we also inherited two interventions in Afghanistan and Iraq, where the window of opportunity to sow the seeds of democracy was not taken. I urge him to do everything he can at this critical stage to ensure that the vacuum that is created is not filled by gangs that will turn into militias, but that we sow the seeds of democracy before it is too late and there is a repetition of what happened in those two other locations.

Mr Mitchell: My hon. Friend makes an important contribution, and I hope that by the end of my remarks he will feel that the Government have taken account of his point.

The UN enforcement action that we are taking in Libya is necessary, legal and right: necessary, because Gaddafi continues to brutalise his own people in flagrant

[Mr Andrew Mitchell]

breach of an earlier UN resolution; legal, because we have a clear UN resolution that authorises "all necessary measures" to protect civilians; and right, not only because we have a moral duty to intervene but because it is in our national interest to do so. We should never forget Gaddafi's track record. I remind Members of Lockerbie, of Yvonne Fletcher, and of the supply of Semtex to the IRA.

As I speak, the people of Libya continue to suffer at the hands of Gaddafi's troops. In Misrata, fighting continues. Although accurate information is hard to obtain, there are reports that up to 200 deaths have occurred in the past week and that hundreds more people have been injured. Access to Misrata remains difficult, but on Sunday a Turkish humanitarian ship, the MF Ankara, evacuated about 250 injured people from Misrata to the opposition-held city of Benghazi.

Over the weekend, I arranged for 2,100 tents from Britain's stores in Dubai to be dispatched to help those displaced by the fighting, especially around Ajdabiya. The British taxpayer has also supported the International Committee of the Red Cross, which is providing basic necessities to 100,000 people displaced by the violence, and medical supplies and treatment to 3,000 people affected by the ongoing fighting in Libya. Humanitarian experts from the Department for International Development are on the ground on both borders to keep an eye on the situation, and we stand ready to assist further if necessary, as I told the head of the ICRC, Jakob Kellenberger, when I saw him earlier today.

Alec Shelbrooke (Elmet and Rothwell) (Con): Will my right hon. Friend expand on his point about our giving humanitarian aid if we are required to do so? Where would the requirement to do so come from? What would be the spark for our doing so?

Mr Mitchell: As my hon. Friend knows, we watch the matter all the time and are in very close contact not only with the ICRC but with the United Nations system, and particularly with Valerie Amos, who is in charge of the Office for the Co-ordination of Humanitarian Affairs. Britain stands ready to assist in whatever way we feel is appropriate in meeting the humanitarian need.

Dr Andrew Murrison (South West Wiltshire) (Con): What role does my right hon. Friend see for the European External Action Service? To date, Baroness Ashton has managed to brief against the no-fly zone, which goes very much against the grain of EU member states, and so far the EEAS's record has not been terribly good. What further record might it build up to redeem itself?

Mr Mitchell: If my hon. Friend will allow me, I will come later to the importance of the EU's role in the stabilisation work that lies ahead.

On top of what I have already described, we have given specific support to those who have fled over the border. Early intervention by Britain and other donors has prevented a logistical challenge from developing into a humanitarian crisis. Indeed, we were able to do rather better than originally anticipated, with British taxpayers funding more than 12,700 repatriations, 6,700 of which we handled directly having chartered our own

planes. That eased pressure on the transit camps and helped migrant workers to return to their own countries and their families. We have also supplied three logistics experts to assist with movements from the border, along with tents for 10,000 people and 38,000 blankets to help those whom I saw on the border shivering in the early morning cold.

Early on in the emergency, I visited the camp on the Tunisian border at Ras Ajdir and met some of the displaced migrant workers who have been leaving Libya in their thousands. What I saw and heard underlined the urgency and real human impact of the situation in Libya. I wish to record today the Government's admiration of the many hundreds of Tunisian families who, of their own accord, donated food, water, clothing and other supplies to the people who were fleeing from Libya. Those selfless and spontaneous acts of generosity are a touching and inspiring example of the very best of human nature.

Mr Andy Slaughter (Hammersmith) (Lab): The Secretary of State is right to say that a lot was done, including by Britain, to help with the evacuation in the early days. Now, however, the International Organisation for Migration is reporting that it lacks the funds to continue with the evacuation. There are still an estimated 75,000 people who need to be evacuated, so what more is Britain doing directly or through other agencies to ensure that the funding is available?

Mr Mitchell: We watch the situation closely and are in continuous liaison with the IOM. Some 400,000 people have crossed over the borders, and between 10,000 and 14,000 are still on the borders. We are considering carefully how we can help them to return home. As I have said, we will continue to provide strong support. We look at what other countries are doing as well, because we do not expect the British taxpayer to provide the funding all the time. We try to ensure that there is a proper burden-sharing approach to the work of repatriation from the border.

As well as responding to the immediate humanitarian needs of those who are suffering the consequences of conflict in Libya and on its borders, we are focusing directly on plans for building longer-term stability. In the past, the links between humanitarian aid and post-conflict stabilisation have not always been well understood. We must not make the same mistakes that were made in Iraq. The international community must agree and implement a single UN-led plan to rebuild lives, peace and security, and it must have the full support of the Libyan people and strong regional buy-in. It should include preventing violence and providing security and justice; protecting people and institutions; rebuilding infrastructure; and ensuring that basic services such as schools and hospitals can function. That will require clear, strong, multilateral leadership and a shared assessment of what needs to be done.

We have learned lessons from Iraq, and indeed from events in Afghanistan, the Balkans and Sierra Leone. For instance, we have learned that it is crucial that the international system starts to plan for stabilisation sooner rather than later. We have learned that we will need to make the security of ordinary Libyan citizens a priority, and that where it exists, state capacity must be preserved. We have also learned that a functioning Government,

basic services and economic activity are critical. Those are all valuable lessons that will serve us well as we seek to help Libya's people to rebuild their country.

Geoffrey Clifton-Brown (The Cotswolds) (Con): I congratulate my right hon. Friend on the humanitarian role that he and his Department are playing. In line with what he has just said about the need for strong regional buy-in, what discussions has he had with the African Union and the Arab states in particular, for which there should be no shortage of resources, about what they are prepared to do in the immediate humanitarian situation and in bringing stability to Libya in the longer term?

Mr Mitchell: My hon. Friend makes an extremely good point. I had discussions only yesterday with Jean Ping, the chairperson of the African Union. Indeed, I speak to him regularly. We have also had discussions with the Organisation of the Islamic Conference, and I had specific discussions on both the humanitarian situation and the stabilisation work with the Turkish Foreign Minister when he was here last week.

Last week's London conference, under the Foreign Secretary's leadership, secured an extraordinary level of international consensus. We welcome, in particular, the UN Secretary-General Ban Ki-moon's offer to lead the co-ordination of humanitarian assistance and planning for longer-term stabilisation support. The Libya contact group, whose establishment was agreed by the conference, will work with regional organisations and the rest of the international community. Britain is ready to play its full part, building on our existing relationships and the work that we have been doing over recent weeks, especially through the stabilisation unit. A British diplomatic mission, headed by a senior diplomat, Christopher Prentice, is engaging with key Libyan opposition groups in the east of the country, including the interim transitional national council and its military council. We are deploying a humanitarian adviser and two stabilisation advisers to join that team, to get the most up-to-date information about the situation on the ground and to identify what more Britain can do to help.

Mr Denis MacShane (Rotherham) (Lab): I will not quarrel with any of the points that the Secretary of State is making, and I welcome them. However, will he reveal to the House his views in his heart of hearts about whether we really had enough people in place in the Maghreb countries before the crisis broke? Did we have any DFID aid going there at all? I think the answer is no, and there were no UK Trade & Investment priority relationships with those countries. We are catching up now, but we have been absent on parade for quite a long time. That is true of the previous Government as well—I am not trying to make any partisan point.

Mr Mitchell: I am not sure that I agree with the right hon. Gentleman to any great extent. I do not think any of us envisages bilateral programmes with the Maghreb countries, but it is vital that the EU should engage with them much more in future, particularly on opening up trade and improving market access. We can do a range of things to provide strong encouragement in future.

I was talking about the importance of our work in developing plans for stabilisation. I sought last week to reinforce the message about the importance of early planning, both at the conference itself and in the margins

of it. We are in regular contact and working closely not only with Ban Ki-moon and with Baroness Amos of OCHA, as I have indicated, but with Helen Clark at the United Nations Development Programme, Tony Lake at UNICEF and Josette Sheeran at the World Food Programme.

Of course, as part of its stabilisation Libya will need a strong, inclusive political settlement. As the Prime Minister has said, it must be for the Libyan people themselves to determine their destiny. The international community can help them to do that by bringing together a wide coalition of political leaders within Libya, whether regional groupings, community bodies or civil society, but Libya must find its own voice and shape its own future.

Mr Nigel Dodds (Belfast North) (DUP): I congratulate the Secretary of State and his Department on what they are doing on the humanitarian front, but as we move forward and plan for the post-conflict situation, can he give the House a guarantee that no obstacle will be placed in the way of the pursuit of the Gaddafi regime's people, administration or assets by victims of IRA terrorism that, as he mentioned, was sponsored by Gaddafi through the supply of Semtex? They must be allowed to pursue their claims against whomever and whatever assets are out there.

Mr Mitchell: The right hon. Gentleman makes an extremely good point. My right hon. Friend the Prime Minister has already spoken about the role of the International Criminal Court in those matters. The right hon. Gentleman will have heard what has been said in recent days, not least by the Scottish law authorities about the long arm of the law and police investigations leading where they may.

The role of regional partners is critical. I have held discussions on stabilisation as well as humanitarian relief with Turkey, the United Arab Emirates and the Organisation of the Islamic Conference. That builds on our coalition Government's shift towards greater engagement with Gulf states generally. We have offered to host the next high-level meeting of the Development Assistance Committee/Arab Donor Co-ordination Group. Indeed, my right hon. Friend the Minister of State is travelling to Abu Dhabi today, where, together with the Emirati Deputy Foreign Minister, he will host a seminar on partnership working in fragile environments.

In the wider region, for example, in Egypt and Tunisia, the role of Europe and the international finance institutions will be crucial. They are significant players and can do much to catalyse economic and political change. We will also work with the EU on creating a new and ambitious economic and trade partnership with the region. That offer, together with any EU aid attached to it, should be made conditional on the delivery of real progress towards democracy, human rights and political and economic reform.

Our vision is simple: we want open, fair and inclusive societies that meet the needs of all citizens, including the poorest and most vulnerable. We want the economic growth that will create the jobs that help young people to see how they can build a future for themselves and their own children. International consensus will be particularly helpful in achieving that. We will play our part, recognising that our priority must be to help fragile states to build legitimate, effective and resilient institutions of their own.

Dr Murrison: Will my right hon. Friend note the extremely good example that Morocco set, in particular the speech that King Mohammed VI made on 9 March, which, I hope, will herald some genuine constitutional and political reforms in that country? Will he agree that much of north Africa and the Maghreb must look to such role models?

Mr Mitchell: I agree with the principle of my hon. Friend's point. Although I have not yet read King Mohammed VI's speech, I will make a point of doing so afterwards in view of my hon. Friend's interest in it.

Malcolm Bruce (Gordon) (LD): Given that a major cause of the problem in north Africa is a skilled and educated work force but a lack of employment, does the Secretary of State recognise that international organisations, such as the International Labour Organisation, which the Government have downgraded for core funding but indicated that they would still accept as a partner, may have a role in helping to reconstruct the economies of those countries and giving access to jobs for those who have the skills, but not the opportunity?

Mr Mitchell: The Chair of the International Development Committee makes a good point. Of course, the ILO still receives core funding from the Department for Work and Pensions. His point is picked up in the Government's multilateral aid review because we will, of course, support any specific ILO programmes, which we judge to provide good and effective progress on the ground and value for money for the British taxpayer.

While most eyes are on Libya, we should not forget the crisis in Ivory Coast, where Laurent Gbagbo continues to cling to power. In little over six months, political unrest has displaced up to 1 million people from their homes and killed hundreds. There are well-documented accounts of significant abuses of civilians, including rape, killings and disappearances. Insecurity continues to hinder the humanitarian response and help is reaching only a small proportion of those directly affected. However, Britain has responded swiftly. We are planning to provide 25,000 displaced people with enough food to last them six months, supply enough tents to shelter 15,000 people, treat 10,000 people for malnutrition, and help 3,000 west African nationals to return home.

As a result of the unrest, more than 120,000 men, women and children have fled across the border into Liberia. That influx has had a major impact on border communities, depleting food stocks to a bare minimum. In some villages, the number of refugees is almost the number of the host community and is likely to increase still further in the coming months.

More than 10 days ago, I agreed significant support for 15,000 refugees in Liberia, including the provision of food and shelter. We are particularly concerned about the number of children who have been separated from their families. Through our support of UNICEF, we are therefore helping to ensure that thousands of children affected by the crisis are protected from violence, abuse and exploitation. We are working to supply water and sanitation to the very large number of people I described on the border.

We will monitor the situation closely and continue to press other donors to play their full part. I have recently discussed the situation with President Ellen Johnson-Sirleaf

of Liberia. My hon. Friend the Under-Secretary arrived on the Liberian border with Ivory Coast yesterday to assess the situation at first hand.

Humanitarian emergencies can arise from rapid onset disasters as well as protracted conflicts. In recent weeks, we have seen terrible natural disasters in New Zealand and Japan. In each case, we responded to requests from their Governments for help, sending the UK's international search and rescue teams, made up of firefighters, medical experts and dogs that are specially trained to seek out those who are still alive under the rubble, as well as heavy lifting equipment. We have been able to provide some small help to the people of New Zealand and Japan as they cope with the aftermath of disasters, both cruel reminders that nature does not discriminate on the basis of GDP.

I end with a more general point. The House can be proud that Britain is known across the world for the quality of its response to humanitarian disasters. That is matched by the generosity shown by British people when faced with the overwhelming need of others—a truth that was so poignantly illustrated last year in the case of Pakistan, and just last month in the public response to the Comic Relief appeal. The UK is a world leader when it comes to humanitarian support. However, we should never be complacent. For that reason, I asked Lord Ashdown to carry out an independent review of Britain's humanitarian emergency response capability. He delivered that report last week.

The review set out Lord Ashdown's conclusions on how we might equip ourselves for tomorrow's disasters, which experts tell us unequivocally will increase in scale and severity. The need to anticipate and prepare for disasters has been demonstrated many times and was cruelly illustrated again last year by the relative impacts of the almost contemporaneous earthquakes in Haiti and Chile. The death rates tell their own story: despite the earthquakes being similar in magnitude, 316,000 people lost their lives in Haiti compared with 562 in Chile. Inevitably, the poorest people are the least equipped to prepare and therefore remain increasingly vulnerable.

Lord Ashdown has suggested several ways in which Britain could improve the quality of its humanitarian response. In framing his recommendations, he has focused on how DFID can deliver maximum benefit to those in need while achieving value for money for the British taxpayer. He has proposed some radical changes, which would place resilience to natural disasters at the heart of all our activity.

The Government will now consider Lord Ashdown's report, and I will consult further on his recommendations. I expect to be in a position to report to the House, setting out a detailed Government response, during the week commencing 17 May. However, I can say to the House today that I agree with the review's principal recommendation—namely, that our response to a humanitarian emergency must be based on need. The Government are, first and last, committed to respecting and promoting the neutrality, impartiality and independence of humanitarian aid.

In the debate, we reflect on just some of the different humanitarian needs that exist in our world today and Britain's response to them. Generosity of spirit and concern for the plight of others are as much British

values as stoicism or free speech. I believe that the whole House will join me in underlining that fact, and in working to continue that proud tradition.

2.28 pm

Ms Harriet Harman (Camberwell and Peckham) (Lab): I am grateful to the Secretary of State for introducing the debate at a time of extraordinary humanitarian emergencies, both those caused by natural disasters and those brought about by conflict. I join him in paying tribute to the seven UN workers who were killed in Afghanistan.

There have been terrible disasters in New Zealand and Japan. Our thoughts are with all those who have lost relatives and are struggling to rebuild. Those disasters underline the points that Lord Ashdown's important report on humanitarian emergency response makes so compellingly. Our ability to anticipate where natural disaster will strike is growing all the time, and we must take action in advance to build resilience. We know that anticipation and advance planning save lives. I pay tribute to Lord Ashdown for his report and look forward to the Government's response.

The Foreign Secretary updated the House yesterday on the dreadful conflict in Côte d'Ivoire, of which the International Development Secretary spoke. Hundreds have been murdered, and hundreds of thousands have fled their homes. Ivorians are in desperate need of food, clean water, shelter, medical care, and above all, an end to the fighting. Women and children are the most vulnerable. Save the Children has said that at least 500,000 children have been forced to leave their homes. Many have lost their parents and suffered unimaginable trauma. They need protection and shelter, and there is an urgent need for the international community to ensure that is provided.

It is therefore of great concern that aid is being impeded. There are reports of UN headquarters coming under continuous attack and of UNICEF workers being trapped in their office in Abidjan. For the suffering to stop and for peace to prevail, former President Gbagbo must go.

Refugees are flooding into Liberia, which is struggling to cope. The Liberians have shown great generosity, but they need support. The UN has asked for \$146 million from the international community, but so far, it has been promised less than a quarter of that. What contribution has the UK made to that UN fund? Many here, not least my Ivorian constituents living in Southwark, will want us to play our part in helping to alleviate such terrible suffering. The UN Security Council is meeting today. The Opposition fully support the international efforts to bring an end to that crisis, which cannot happen too soon.

DFID's expertise in responding to humanitarian emergencies is recognised around the world, as Lord Ashdown's report underlined. However, he is right that we need to continue to press for improvements in how both the UK and the international community respond to humanitarian emergencies.

On Libya, although most of the attention has been focused on the armed battle, it was because of the threat of death and injury to Libyan people that the UN agreed to military action. It is right that we continue to

keep our focus on the plight of those in Libya who are playing no part in the fighting, but who are suffering because of it.

Malcolm Bruce: Does the right hon. and learned Lady agree that that action was taken under the UN resolution on the responsibility to protect? Does she agree that that is not a right, it is a responsibility? Does she also agree that had we not taken such action, we would have been in breach of the spirit, if not the words, of the UN charter?

Ms Harman: The right hon. Gentleman is absolutely right—not taking such action would have cost many more lives. The humanitarian situation in Libya is dire. Libyans must flee from their homes and many, including children, are being gravely injured and face lifelong disabilities, and many are losing their lives. However, as he says, the situation would have been immeasurably worse had the international community decided not to take action. As the Secretary of State graphically underlined to the House, Gaddafi's attacks on, and threats to, his own people, and particularly his threat to show no mercy to Benghazi, imposed a clear duty to prevent the slaughter of innocent people, and we support that action.

UN resolution 1973, which authorised military action for a no-fly zone, also required the Libyan authorities to allow full and rapid humanitarian assistance to those in need, and to take all measures to protect civilians and to meet their basic needs. The Gaddafi regime has failed to comply with those obligations. The UN and aid agencies are unable to reach all areas. The fighting makes things too dangerous in some areas, and Gaddafi denies access to others. The UN Office for the Co-ordination of Humanitarian Affairs has said that hostilities around Tripoli and in the west make even finding out what needs to be done virtually impossible.

We do know, however, that the threats and the fighting in Libya are causing a massive flight of people from their homes. Where the fighting is worst, the United Nations High Commissioner for Refugees estimates that only 10% remain in their homes—90% have fled. Tens of thousands are presumed to have fled to Benghazi to seek refuge from Gaddafi's troops; more than 70,000 Libyans have fled their country altogether; and more than 300,000 foreign workers have fled the country. Facing upheaval and distress, they have needed food and shelter at the border and transport back to their home countries. That is a huge movement of people, and we should pay tribute, as the Secretary of State did, to DFID for its role in the international effort to help to shelter and protect those who fled.

Those stranded on the border remain a problem—those who cannot afford to go home or those who were in Libya as refugees and who are afraid to go home. Many countries are playing their part in offering refuge to them. For example, Canada is taking 60, Argentina is taking 25, and Finland is taking 70. We should play our part too. How many will the UK take?

There is a particular problem for women from sub-Saharan Africa who were working in Libya, who are facing sexual violence—there are alarming reports of rape and beatings. Can the Secretary of State assure the House that every effort will be made to protect them?

Alec Shelbrooke: Will the right hon. Lady draw on her work on child sex slave trafficking? Has she considered what opportunities exist for people to exploit young women and girls who are fleeing Libya? Does she have any suggestions on how we can prevent them from ending up in this country as a result of such exploitation?

Ms Harman: The hon. Gentleman raises an important point, and of course those women and girls are very vulnerable. Those who are foreign workers could be properly sheltered and protected on the borders, and then transported safely home, but the situation for those who remain in Libya remains grave. There are grave problems for those who stayed behind—both Libyans and migrant workers.

In Misrata, water and electricity have been cut off, the hospitals are inundated, and, there is a growing problem throughout Libya with the supply of food. Libya imports most of its food, but the fighting has disrupted imports, threatening food shortages and price rises. UNOCHA has expressed particular concern about migrant workers getting the food they need because in many cases, their employment has been disrupted, leaving them with little or no disposable income. The flight of so many foreign workers has also meant Libya facing difficulties without Egyptian nurses, Tunisian construction workers, Palestinian engineers and thousands of Bangladeshi workers.

I join the praise for our armed forces who are protecting people through the no-fly zone, and I strongly support what DFID has done in Libya. We must also continue to back the UN in co-ordinated international efforts to increase humanitarian access to Libya and its borders. I also pay tribute to Islamic Relief, the International Red Cross and the International Medical Corps—humanitarian organisations that are operating in difficult and dangerous circumstances. To get help to those who need it, they have not only to maintain scrupulous impartiality but also to be, and be seen to be, separate from the military effort, which they are.

As well as highlighting the work of DFID, international agencies and humanitarian organisations, the Secretary of State was right to highlight the role of the diaspora community in this country. The Government play a major role, but hard-working people, often in low-paid jobs, are very generous and immediately rush to help those in their country of origin. Those in the diaspora community who rally round when there is an international emergency greatly deserve to be recognised.

The UN says that it needs \$310 million funding for the international effort, but it has collected only a third of that. I was glad to hear the Secretary of State say that the UK will play its part in ensuring that other countries contribute to that fund, as we have.

The Secretary of State has rightly highlighted the admirable and selfless support being provided by the Tunisians and Egyptians to refugees fleeing to their borders. As people continue to leave Libya, however, there will be a need for ongoing support for her neighbours—Egypt and Tunisia—as they face the twin challenges of transforming into a new political future and a major influx of refugees. To tackle the urgent humanitarian problems, international support must be properly financed, properly co-ordinated and clearly led, which is why we welcome the acceptance at last week's London conference of the UN Secretary-General's

offer to lead co-ordination of humanitarian assistance. We look forward to hearing further details as that is taken forward.

Will the Secretary of State reassure the House that the important Turkish-UK-US humanitarian aid team is fully co-ordinated as part of the UN plan? Are the Government pressing for the clear leadership that Lord Ashdown proposed in his recent report? Is the UK pushing for one person to be put in charge of all international humanitarian efforts? The countries of north Africa and the Arab world have an important role, and the support and active participation of Muslim countries in delivering aid is vital. Can the Secretary of State tell us which countries in the region are providing that humanitarian support? As everyone recognises, the need for the close involvement of the Arab League and the African Union is crucial. At the London conference, the African Union was not represented. After his discussions with the head of the African Union this week, can we look forward to its greater involvement?

Will the Secretary of State also tell the House what the EU military operation set up last week will be able to contribute to the humanitarian effort? As well as an effective response to immediate humanitarian needs, he is right to stress the importance of early and effective planning for post-conflict stabilisation and clarity over who is leading the international effort. Women must be included in peacebuilding and reconstruction, as UN resolution 1325 demands. It was disappointing that at the London conference last week only five of the 46 participants were women. Will he assure us that the UK will do all it can to ensure that in the future women are fully involved?

As the Secretary of State said, it must be Libyan men and women who lead the rebuilding of their country, so I hope that the Government will involve the Libyan diaspora community in this country. They live here, but they know and care about their homeland. Libya is struggling now, but it is not a poor country; it has great potential and capacity.

Dr Murrison: It is of course right that the Government listen to all sources of advice, but would the right hon. and learned Lady accept that her Government listened too much to Iraqi expatriates, émigrés and defectors in the run-up to the 2003 conflict? In part, I am afraid, that resulted in some very misleading conclusions and hampered the reconstruction operation after the acute war-fighting phase.

Ms Harman: I do not accept, as a general point, that Governments, including the Labour Government, have listened too much to diaspora communities. If anything, Governments feel that what they do is most important, and fail to see the efforts of ordinary people who know and care about their country of origin. I would never criticise any Government—past or future—for listening to diaspora communities, which have different sources of information. Obviously, that would form just part of the information that Governments need to gather, but we must listen to those who might not work in the Foreign Office, but who know a great deal and care about their country of origin.

Mr MacShane: We would also be well advised to listen to the Moroccan diaspora communities in Paris and London that are presenting a very different picture

of the corruption and the authoritarian and repressive tactics—sadly, and despite the good intentions of the king—in that country.

Ms Harman: I absolutely agree with my right hon. Friend on that point.

In conclusion, we have all seen the terrible events in New Zealand, Japan, Côte d'Ivoire and Libya, and the suffering of the people in those countries. When we see children starving, women at risk of rape and abuse and people trapped under rubble, we cannot stand back as spectators. Ultimately, our humanitarian effort is no substitute for political action in situations such as those in Côte d'Ivoire and Libya, and where there is ongoing conflict, in places such as the Democratic Republic of Congo. However, it can help to alleviate the suffering. Ensuring that those efforts are delivered as rapidly and effectively as possible is vital. What is needed for that is strong leadership and a strong and effective international system.

2.44 pm

Geoffrey Clifton-Brown (The Cotswolds) (Con): I am grateful to be called so early in the debate, Madam Deputy Speaker.

I start where my right hon. Friend the Secretary of State finished—with the UK's generosity of spirit. I urge him to sell to the British people all the excellent humanitarian work that the UK is undertaking. At this time of economic stringency, a small minority of our constituents are asking, "Why are we spending so much money on foreign aid?" so the British people ought to hear what he is doing around the world. Like the good Samaritans, we as a nation do not walk on the other side of the road; we get involved when a nation is in serious trouble, regardless of whether it is a wealthy nation or one of the poorest nations on earth, which is why the Japanese people were so grateful that we volunteered to send a team to try to recover victims following the earthquake.

Anybody who, like my right hon. Friend and me, has seen the holocaust memorial in Kigali in Rwanda or, even worse, the sheds in Murambi just north of Butare, where during the holocaust women, men and even children were encouraged to enter the newly created secondary school, locked up in sheds and then butchered with machetes, could have no doubt that we should have taken the action that we did in Libya—not to have done so would have been a moral outrage. My right hon. Friends the Prime Minister, the Foreign Secretary and the Secretary of State for International Development are to be congratulated on leading the world in taking that action.

Gaddafi took over in a bitter military coup in 1969, and has lost close relations in the 1986 bombing and in the current campaign, so he is clearly a hardened individual. As a result, it is extremely unlikely that he will leave until he knows with absolute certainty that the game is up. At present, that is not the situation. Although the no-fly zone has been successfully implemented, all he has to do is occasionally send out his tanks and armoured cars to terrorise his population, and that keeps the coalition forces tied up. We have to accept, therefore, that there will not be a military ending to this dispute; it will have to be politically negotiated. That is where this

debate is important, because not only are we providing the immediate humanitarian aid, but there will be an ongoing need for nation-building aid. That will be really important.

I seek clarification from my right hon. Friend the Secretary of State for International Development; if he cannot provide it now, perhaps he can seek it after the debate. This morning, the Prime Minister's spokesman said:

"Our position on Gaddafi is very clear. He has to go. Anything else is a matter for the Libyan people."

Does that denote a slight shift in the coalition's position towards regime change? I do not think that there will be a satisfactory outcome to the Libyan situation until Gaddafi leaves, so if that is the coalition's new policy, I welcome it. At the moment, the rebels do not have the military or other resources to bring about that change, so we have to focus on the diplomatic activity, and use all the interlocutors we can to bring about a settlement. Saif Gaddafi has a role to play, too, because if anyone can persuade Gaddafi to go, it must be his son. He has had considerable experience of western culture and—much more importantly—of peaceful western democracy, including in this country.

My right hon. Friend the Secretary of State is right when he talks about the possibility of recognising the interim transitional national council. We ought to recognise the opposition. Instead of calling them rebels, we ought to call them the opposition; language is really important. The worst people in all this are Gaddafi and his friends. The interim transitional national council and the ordinary people of Libya are those whom we ought to be helping.

As I said in my intervention on my right hon. Friend, it was, after all, the Arab League and the African Union that urged us to obtain the UN resolution and the no-fly zone in the first place. We must keep the Arab League and the African Union up to the mark, which is why I made my intervention. They are the people who should be putting pressure on Gaddafi and helping with the humanitarian aid effort. They are the people who, in the longer term, should be helping with nation building. After all, they have a vested interest in bringing stability to the region.

I pay tribute to what my right hon. Friend said about the ordinary families in Tunisia who have voluntarily given up their homes, giving help, food and shelter for the people crossing the borders. More than 350,000 people have crossed the Libyan border since the crisis began. I am so glad to see that my right hon. Friend is providing them with help, in the form of £8.4 million, 10,000 tents and 30,000 blankets. That is a tremendous effort from the United Kingdom, and one that is to be greatly applauded. However, it is not just the African Union and the Arab League that could be involved. Germany and other European Union countries have so far not stepped up to the mark well enough, but I see no reason why they cannot play their full part—in fact, more than their full part—in the humanitarian aid effort and the nation building to come. The Americans, who pulled out of the coalition for the no-fly zone, could also be playing their full part.

Having said that, it is clearly important for the UN, the EU and other multilateral agencies to co-ordinate the whole effort, because as my right hon. Friend said, it will involve co-ordinating a large number of agencies,

[Geoffrey Clifton-Brown]

and not just in addressing the humanitarian situation in Libya. As we have seen, there is equally need in Egypt and, even more so, in Tunisia. Tunisia is a far smaller country on the map, but the prospects for bringing about a peaceful democracy there are probably stronger than almost any other Maghreb country. If we focus our efforts there, perhaps that will help in our efforts in Egypt, Libya and other countries.

Many others want to speak in this debate, so I shall sum up. All the actions taken by my right hon. Friend—particularly on the stabilisation unit, bringing about cross-agency support for our humanitarian aid—have been a fantastic effort. They include the Libyan contact group under Christopher Prentice, which my right hon. Friend mentioned; bringing about contacts with the ITNC—perhaps with help from some of our other agencies in the military—and gaining access to those people; as well as building friendships and coalitions to see where we can help to build stability in all parts of Libya. However, the greatest need for humanitarian aid is obviously in those cities and towns that have borne the biggest brunt of the military attack, particularly Misrata and the surrounding cities. Clearly there is a big need for humanitarian aid. I welcome the Turks sending in a humanitarian aid ship. That was a tremendous effort, but surely the international effort must focus on stabilising Libya and trying to keep as many people as possible in humane conditions in their own country, rather than having to airlift them or take them out by sea. Although that is imperative in the short term, our medium and longer-term aim must be to bring about stability and keep those people in their own country.

In closing, I do not think that this campaign will be over in months, as the media would have us believe. We are in it for the long haul—in Libya and in bringing about stability and democracy for the whole of north Africa—but the prize is huge, because stability in that region will bring about stability in the middle east and Africa. As my right hon. Friend the Foreign Secretary said, what we are seeing is one of the seminal events of the first half of the 21st century. The prize is enormous. From what my right hon. Friend the Secretary of State for International Development has said today, I have no doubt that Britain will play its part—in fact, well above its part. That is to be wholly welcomed. Please will my right hon. Friend go out and keep telling the British people that, so that they do not complain about how much we are putting into international aid?

2.54 pm

Hugh Bayley (York Central) (Lab): In August last year, the all-party Africa group published a report called "Security and Africa", as our contribution to the Government's strategic defence and security review. We reminded the Government that there are a number of security risks in Africa that threaten people both in that continent and further afield, including in Europe. We urged the Government to retain the capacity for military engagement with Africa. We stressed the need for better co-operation between the Foreign Office, the Ministry of Defence and the Department for International Development, and the need to co-ordinate policy with our allies in NATO and the European Union.

I am glad that the Government responded positively to our pitch in the strategic defence and security review, and that they have responded to the Libyan crisis in the way that they have. I believe that the military action under Security Council resolution 1973 has saved many civilian lives in Benghazi and other rebel-held towns in eastern Libya, but I do not believe that military power will resolve Libya's deeper political crisis. On that point I am at one with the hon. Member for The Cotswolds (Geoffrey Clifton-Brown), who has just spoken. A political solution is needed. The UK should support the Turkish Prime Minister's initiative to secure a ceasefire and, through political efforts, to reach terms on which Gaddafi will leave office.

I would certainly argue against broadening our military objectives. I do not believe that regime change should be set as a goal or that we should arm insurgents fighting against the Gaddafi regime. If we did either of those things, we would destroy the fragile coalition at the United Nations that came together around the Security Council resolution. If we were to arm insurgents, we would of course strengthen the arms of some modernisers and democrats, but we would also put further arms into the hands of tyrants and dictators, and into the hands of military and civilian personnel from Gaddafi's regime who have defected.

Dr Julian Lewis (New Forest East) (Con): The hon. Gentleman is talking a great deal of very good sense, but does he not recognise that the logical outcome of rightly saying, "We shouldn't arm the insurgents," and, "We shouldn't seek regime change," will be a total stalemate and that Gaddafi will not leave at all? That is the realistic outcome to expect. Does the hon. Gentleman not think that we ought to frame our policy accordingly?

Hugh Bayley: Before the Iraq war I took the view that the policy of containment had failed to secure Saddam Hussein's compliance with UN Security Council resolutions and that military action was needed to resolve the situation. In retrospect, I am not sure that that was the right decision. Perhaps containment, although costly and untidy, might have been a better policy. The hon. Gentleman's analysis is fair, but if it means a long period of stalemate, that might be better than a war whose objective was regime change.

If we escalated militarily, we would also undoubtedly intensify the humanitarian crisis in a way that would conflict with one of the recommendations of Lord Ashdown's recent "Humanitarian Emergency Response Review". The review says that "where states have failed," or "when Governments are belligerent," there is what Paddy Ashdown's team call

"a fragile 'space' in which humanitarian agencies are accepted" and able to do their work. He recommends that

"DFID humanitarian policy should be to protect and where possible enlarge this fragile space".

That would be impossible if the military campaign were to adopt wider objectives.

The majority of the victims to date have not been Libyans. They have been migrants from sub-Saharan African countries such as Chad, Nigeria, Ethiopia, Eritrea and Somalia who came to Libya looking for jobs or, in many cases, to use it as a stepping stone to Europe. The British Red Cross has reported that some 390,000 people have already fled Libya, with some

9,000 currently stranded at Libya's borders. An article in this week's *Voice* newspaper tells the story of a 31-year-old Eritrean, Tesfa Gebrimehedn, who said that he had suffered attacks from anti-Government protesters who mistook him, as a black man from sub-Saharan Africa, for a mercenary. Gaddafi has employed many people from sub-Saharan Africa as mercenaries. The Libyan police beat up him and his friends and demanded money at roadblocks. The Red Cross reports that there are 100 checkpoints between Tripoli and the Tunisian border. Two friends of his were killed by policemen from the Gaddafi regime, and 5,000 dinars—£2,500—was stolen from him, again by police at one of the checkpoints.

The International Organisation for Migration tells us that 87,000 foreign nationals have already been repatriated, and that 12,000 have been put on flights provided by funding from the Department for International Development. However, I agree with my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman) that we in the UK need to work with others to create an international plan to provide for the needs of the refugees, and to provide asylum where necessary. It is wrong simply to leave this problem of hundreds of thousands of people fleeing from Libya in the hands of Tunisia and Egypt.

There are some wider questions that I would like to raise about Lord Ashdown's review. He comes to some wise conclusions, including that the UK needs policies that anticipate humanitarian disasters as well as simply responding to them when they happen. Let us take Côte d'Ivoire as an example. It is now four months since President Ouattara was elected and Laurent Gbagbo refused to accept the outcome of the election. The United Kingdom did some extremely good work before the last election in Sierra Leone to role-play with the President what he would do if he were voted out of office by the electorate. Indeed, he was voted out, and he did leave office.

We certainly need to take steps to anticipate not only military and security problems but natural disasters. Paddy Ashdown's report talks about the floods in Mozambique in 2006. It describes how Mozambique sought £2 million in aid before the floods to prepare to meet the crisis, and how the request fell on deaf ears. The subsequent cost to the international community of rescuing people from the floods was £60 million. It is blindingly obvious, when the Zambezi river is in spate on the Angola-Zambia border, that it will flood in Mozambique two weeks or so later. There needs to be better co-operation between African countries in anticipating and preparing for disasters.

Paddy Ashdown also talks about the need to build resilience into buildings, so that schools, for example, could double as typhoon shelters. That is a task for UN Habitat. In 2004, at the time of the tsunami, 150 million people were affected by the tsunami and other humanitarian crises. According to the Ashdown report, 263 million were affected by such crises last year and he says that we should anticipate 375 million being affected by 2015. This is partly because of climate change, but also because the global population is rising and people are becoming more and more concentrated in cities. If a disaster strikes a city, the number of people affected is therefore much greater.

UN Habitat is one of four organisations that has lost funding as a result of the Government's multilateral aid

review. The International Organisation for Migration has also been put on special measures by the Government. It has been told that it must improve or lose its funding. It has been decided that a number of UN agencies that are crucial to dealing with humanitarian crises, including the UN International Strategy for Disaster Reduction, are poorly managed and have now been put on special measures or lost their funding. Surely the challenge is to tackle the poor management and to drive up standards, so that those agencies are better able to meet the needs of the international community. When the Minister replies to the debate, I hope that he will be able to tell us, in relation to the four that are in special measures and the four that have lost funding, what the Government are proposing as a management development programme to increase the capacity of those organisations so that they can do their job in future.

3.6 pm

Malcolm Bruce (Gordon) (LD): I thank my right hon. Friend the Secretary of State for keeping the House up to date on this important activity; I congratulate him and his Department on their quick responses. I shall explore how that will affect the role of the Department. The BBC recently conducted a poll on the public's attitude towards the engagement in Libya. In the aftermath of Afghanistan and Iraq, I guess that there is a degree of voter fatigue and, perhaps—how can I put it?—an inability to distinguish between different engagements and the reasons for them. That was partly what prompted my intervention on the right hon. and learned Member for Camberwell and Peckham (Ms Harman).

We have been engaged in the concept of the responsibility to protect, and in its development in the United Nations, but this is the first occasion on which it has been fully applied. It is true that the shame associated with the experience in Rwanda is what prompted this action, but it took a long time for the concept of that kind of intervention to develop. It is important to explain clearly not only to the British people but to the wider international public that the responsibility to protect means just that. It does not involve a right or a permission; it is actually a duty to engage in a situation such as this. Had we not done so, we would all have witnessed on live television the massacre of the people of Benghazi. Those people who say that they are not convinced that we should be in Libya would have been exactly the same people who would have said, "Why did you stand by and allow this to happen?"

Mr MacShane: I agree with the right hon. Gentleman, but he should not gloss over the record of his fellow Scot, Robin Cook, who, along with many others, developed the responsibility to protect. At the end of the 1990s, he applied it very strongly in the southern Kurdish areas of Iraq. The RAF flew bombing missions, and there was a full-scale military intervention that was approved by the House and initiated by the former Foreign Secretary, Robin Cook.

Malcolm Bruce: I am perfectly happy to acknowledge that fact. I had great admiration for Robin Cook's activities as Foreign Secretary, and the right hon. Gentleman is absolutely right to remind us of them. I hope that he will accept, none the less, that this was the first application of a full engagement under a resolution of this nature.

[Malcolm Bruce]

It is important that that engagement involves more than just a no-fly zone. We are using all the powers required to protect the civilian population. I do not intend to detain the House with a discussion of where it might all end, because none of us knows. We hope that lives will be saved and that space will be created to allow one regime to depart and some other form of government to develop. We also hope that that will be determined by the Libyan people and not by outside interests.

It is also worth mentioning that, yes, Libya is an oil-producing country but we should nail the lie that that is the reason for the international community's intervention. I really do not believe that that is the reason. Indeed, the amount of oil that Libya produces is a relatively small proportion in world terms and certainly not something that fundamentally drives the price of oil—in spite of its current record highs. We need to get across to people the fact that this is a humanitarian intervention entirely based on the threat to the people of Benghazi and nothing to do with the fact that Libya was and is an oil producer.

It would be helpful if the Secretary of State could clarify in his reply what he believes DFID's engagement in the region is likely to be in the future. On the basis of the reply he gave to my Select Committee colleague, the hon. Member for York Central (Hugh Bayley), I understand that to date—he might want to update us further—£10.04 million has been allocated to meet the immediate humanitarian crisis. I doubt whether any Member would take issue with that, but we would like to know how much further finance is likely to be committed.

I hope that the Secretary of State agrees that Libya is not a poor country. What it needs is co-ordinated aid and action. What it does not need is overseas development assistance—there are other places and other people who have more urgent need of that. I hope that he will reassure us that development assistance will not apply in Libya. I understand that he has been given a particular role by the Prime Minister to help to co-ordinate the humanitarian relief, and I think that he and his Department are ideally placed to do that.

I understand that the Secretary of State intends to reply to Lord Ashdown's report in May. He might like to engage with the United Nations to see whether its leadership and co-ordination can be improved along the lines that Lord Ashdown recommended. One suggestion from Lord Ashdown was that the Department for International Development should have a director general to focus specifically on humanitarian relief, resilience and co-ordination. That seems a sensible suggestion that the Secretary of State might wish to take up.

The role of the international community is an important issue. The UK has taken quite a leading role on Libya, but I think I could be forgiven for saying that this is not a hugely British responsibility—other than the fact that we are the kind of people we are. It seems to me that other countries might have as great, or a greater responsibility and that our job should be to co-ordinate and to share the burden, not to take too much of it on ourselves. In the wider context, there are countries whose commitment to international development, support and assistance is rather less than ours, but they could be doing rather more—not least because they lie closer to the affected area so that the impact on them is more direct.

In that context, will the Secretary of State say more about the role of the European Union? We deliver a substantial amount through the direct budget contribution to the EU, in addition to which we give our own development funding to the EU. I believe that in that capacity it receives more than £1 billion a year. The Secretary of State will know of the discussion in the International Development Committee—indeed, we propose to produce a report on the EU as a development partner—about the fact that quite a lot of the core budget to which we effectively contribute willy-nilly to the EU goes towards overseas development assistance in, for example, Turkey. Some EU member states are strongly engaged in arguing that we should give support and assistance to our neighbours. My point for the Secretary of State is that it might not be a bad idea to reprioritise the existing EU budget to take account of the changing situation. It seems to me perfectly reasonable to expect that to happen. I am not suggesting that there should be no more funding for changed circumstances, but we should be careful not to divert too much of our development assistance, which by definition should go to more needy causes.

I intervened on the Secretary of State earlier on the subject of the multilateral review. Let me make it clear that I have no problem with the Government's decision on the International Labour Organisation, and I completely take the point that the core funding still comes from Her Majesty's Government, but through a different Department. I was anxious to test the Secretary of State and his reply was entirely where I wanted him go—to the effect that, where the ILO can be a useful partner, as it can be in parts of the world, we should work directly with it. I was reassured by that answer, as across north Africa—indeed, this is also a salutary lesson for what we are trying to do in sub-Saharan Africa—there is no point in giving people skills, hope and aspiration and then failing to deliver livelihood opportunities.

When we boil it down, that is the core of the problem that has led to an explosion in these communities of youngish people who feel—and they are entitled to feel—that they have not been given their space in the sun, which their education and the means of the countries they live in could have provided them. The key to the future must surely be a more dynamic programme designed to give people jobs and opportunities and to share their country's resources more equally. To the extent that we can help to co-ordinate such a programme and assist with it, that seems to me to be an entirely legitimate role. It is not all about money; it is about engagement, partnership, understanding and allowing people's aspirations to find their own level rather than imposing solutions from outside.

In conclusion, let me make passing reference to the situation in the Côte d'Ivoire—and, by association and neighbourhood consequence, Liberia. We all welcome the fact that the Government have responded quickly and in a practical way and that the Under-Secretary of State for International Development is evaluating the situation on the ground. That is precisely what we would expect the Government to do, but I hope that the Secretary of State will acknowledge that this should not be a priority area for the UK. It is an immediate crisis and we want to be part of assisting to resolve it, but again other countries and international agencies are better equipped than we are to take responsibility for

the long-term future of the Côte d'Ivoire—as and when, hopefully, a legitimate Government can be put in place without being assaulted and can proceed with its proper job of delivering for the people of the region. Is it not ironic, however, that this is taking place next door to Ghana, which has over the last 12 months had a wholly successful election? The opposition won and the Government were not happy. The Administration changed, however—as far as I am aware, without even a broken nose, let alone anything more serious. It seems an ironic, almost tragic situation, that two countries that are so similar in so many ways and exist next door to each other are finding such a different destiny. One hopes that partnership between those countries will, in the longer run, show how best practice can deliver the best results. To the extent that our Department for International Development can assist in that, I believe that it would have the support of the whole House.

3.17 pm

Den Jarvis (Barnsley Central) (Lab): The Balkans, Afghanistan, Iraq, Tripoli and Benghazi—it is sobering to see how in 2011 those names are again at the forefront of our minds. As we debate national security, humanitarian aid and human rights, we must ask ourselves, “How has it come to this?” Was the international community too hasty to consign their dealings with these countries to history, failing to recognise a role in ensuring stability in those regions? That is a mistake that we repeat at our peril and one that we must not forget as we address the current and very real situation in Libya.

The other day in Barnsley, I was asked why we should be dragged into another foreign conflict—somebody else's war. I was asked why we should feel obligated to ask our courageous RAF pilots to fly into the airspace above a foreign country in conflict. I was asked why we should send our brave sailors and soldiers aboard warships into the waters of the state responsible for the Lockerbie bombing. Those questions made me consider why—why it was important to my constituents that our country among the international community should take the lead in securing a peaceful future for the people of Libya. Why us?

I then remembered why it should be us. It is because we have no real choice. This country has a long history of standing up for justice and the rule of law, of standing up for the protection of the vulnerable and of standing up for the men, women and children whose own Governments have persecuted and abandoned them. Our country and our people should not walk by on the other side of the street, ignoring the weak, the lost, the unprotected and the dispossessed. Walking on by is not an option because we know that the right thing to do is to stand up for others when we can and when it is legally and morally the right thing to do.

The British Government have a strong tradition of fighting for collective security, not selective security. Whether on the streets of Pristina or Freetown or elsewhere, we believe in standing up for the security of all. When we do act, however, clear objectives and decisive action are essential if the people of Libya are to be protected from a cut-throat regime and a humanitarian disaster is to be averted. Already bodies lie in the streets as lives are cut short by the bloody hand of an ever more desperate dictator.

The doctrine of the international community should be pursued, and never more so than now. People want to know not only that we are right to take action, but that we have clear objectives and are going to succeed. The humanitarian situation in Libya is extremely worrying. Thousands of people on the Libyan borders await evacuation, and within the country humanitarian access is still very limited. Daniel Korski, a former special adviser to the Secretary of State who returned from Libya recently, has said:

“There is less of a crisis than I thought but around the war-caught cities the problem is severe. While we should eschew a larger ceasefire, a ‘humanitarian break’ for Misrata may be worth contemplating to ensure people get out and receive medical attention. We also need to ensure that the opposition forces have medical supplies and perhaps even medical expertise.”

The international community has been caught between applauding the wave of democratic change—which will help, not hinder, our country's security—and the fear of radical elements which drove our support for authoritarian regimes in the past. Given our history in the region, it is clearly far preferable for any humanitarian intervention to be instigated and led by Arab nations, but we must be ready to assist. The nature of that assistance requires very careful consideration, and we should be extremely cautious about providing any materials that might further inflame the conflict, but it is right for medical and humanitarian supplies to be made available in order to alleviate human suffering.

Unfolding events in Libya present genuine dilemmas. These are difficult judgments for any Government, and the international community, to make. Our country has not always struck the right balance between securing pragmatic but short-term political victories and putting in place enduring legacies that secure peace in the long term, and we must get the balance right now. Gaddafi's own future highlights the difficult and complex judgments that must be made. Given the Foreign Secretary's comments last week, I hope that the Government's commitment to the International Criminal Court will not be sidestepped in the pursuit of a pragmatic political solution for the people of Libya, but I fully accept that such a judgment requires very careful deliberation. Nevertheless, I believe that we must act, because we live in a world in which isolationism has ceased to have a meaningful reason to exist. Specifically today, we have a clear interest in preventing the re-subjugation of the people of Libya to an unbalanced and brutal dictatorship. There is a clear legal and moral imperative to act, and it is in our country's own national interest for us to do so.

Detailed planning is vital to preparation for the post-conflict period. We must satisfy ourselves that we have made every effort to construct a plan for what will happen when the fighting stops. We must learn the lessons of the past: stabilisation and reconstruction are both political priorities, and we must not “deBa'athify” the state just for the sake of it, but give an incoming regime every opportunity to succeed.

The Government have assured us that detailed work is taking place. That work is vital, but the Whitehall culture does not always lend itself to cross-departmental co-operation. Whitehall agendas can still prevail—joined-up government is still an aspiration and not yet a reality—but Whitehall can also engender a culture of “group think” which sometimes produces templated westernised solutions

[Dan Jarvis]

that are not robust enough, or are too lofty in their ambitions, to survive contact with complex situations in other parts of the world.

While the Government rightly focus on unfolding events in Libya, in Côte d'Ivoire, in Japan, in New Zealand and elsewhere, we should not forget the ongoing insurgency in Afghanistan and our crucial role in securing a peaceful and enduring political settlement for the people there. However, there must come a point at which the Government's focus pulls back from the immediate here and now, and they conduct a rigorous analysis of the implications of recent events for "Britain's role in the world".

The "question four" moment is the point in the military planning cycle at which, before the final commitment to a plan, a last-minute check of events is conducted to establish whether the strategic or tactical situations have changed to such an extent that it is necessary to rethink or even abandon plans. This is a question four moment: the point at which we should accept that the strategic defence and security review needs—at the very least—a rescrub, or a new chapter setting out the contribution that this country intends to make to the international community and, if possible, the mechanisms that it intends to deploy to best achieve the desired effect. As with any security, foreign policy, defence or development review, critically, if the Government will the ends they must also will the commensurate means.

3.26 pm

Nicola Blackwood (Oxford West and Abingdon) (Con): I am grateful for the opportunity to contribute to the debate. Let me begin by adding my tribute to the servicemen and women who are risking their lives in an effort to protect civilians in Libya. Regardless of the international debate on the parameters of the coalition's intervention, their role is honourable, and their families can be justly proud of their bravery and assured of our support.

As the Secretary of State said, we should not forget why we got into this, and why, even after Iraq, the House voted so overwhelmingly in favour of humanitarian action and the establishment of a no-fly zone in Libya. It was because Colonel Gaddafi's threats of vengeance on his own people were only too credible in the light of his record so far. It was because he told the world:

"There will be no mercy. Our troops will be coming to Benghazi tonight... If the world gets crazy with us we will get crazy too. We will respond. We will make their lives hell because they are making our lives hell. They will never have peace."

It was because Benghazi's 670,000 civilians would probably have been massacred, Libyan troops were already committing atrocities in the outlying areas of the city, and Colonel Gaddafi's men had received orders to go from house to house and from room to room to burn out the opposition.

We are all anxious not to repeat the mistakes of Iraq and Afghanistan. We are anxious for mission creep to be avoided at all costs, and for the international community's actions in Libya to present no opportunity for critics to claim that western humanitarian action is code for regime change or wider political interference. Far too

often, however, the international community has stood by when genocide was imminent, paralysed by lack of consensus and fear of precedent. As has already been said, we must ensure that we learn the lessons of Rwanda and Darfur as well as those of Iraq and Afghanistan. We must ensure that we live up to the ideals of the "responsibility to protect", but we must also ensure that all action that is taken is visibly based on wholly humanitarian motives: that it is based on the moral imperative to protect civilians, rather than on the western temptation to impose our own political solutions.

It must be said that, so far, the system has worked far better and far more quickly than most international responses to state-sponsored violence. The fact that in just six weeks we have secured two Security Council resolutions and NATO control of a broad international military force, and have averted a humanitarian crisis as hundreds of thousands of people have fled Libya, is nothing short of extraordinary. I join my hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown) in congratulating the Government on their leadership in driving this momentum, and on the care that they have taken to give the House regular updates and opportunities for debate. Nevertheless, a huge amount of work and careful judgment is still required if progress on Libya is to continue in a positive direction. Let me give a couple of examples.

As we have learned in recent years, development and reconstruction are not simply add-ons to a successful military operation. They are, in fact, integral to the success or failure of an operation, and short, medium and long-term planning must incorporate detailed development strategies. I was encouraged to hear the Foreign Secretary's statement that the issues of urgent humanitarian assistance and the needs of Libya after the conflict were considered at the London conference, and that the British diplomatic mission led by Christopher Prentice will be making regular visits to Benghazi to understand the situation of the opposition and civilians on the ground better. However, may I ask for an update as to how DFID, the Foreign and Commonwealth Office and the Ministry of Defence are working to ensure there is a joined-up approach on the early and sustained provision of humanitarian assistance, and what role the UK will be playing in developing longer-term reconstruction strategies for Libya? For example, have these issues been raised with the interim transitional national council, NATO command and control, and the contact group, and will there be an ongoing forum to ensure that Libyan people are included in this process? In addition, there is some concern that at this point the opposition may not have sufficient training, organisation and leadership structures to ensure a smooth transition to a post-Gaddafi Libyan leadership. Given that the military part of this operation is likely to prove the most straightforward, has there been any discussion of UK Government support for capacity building for the ITNC leadership? Investment in that now is likely to bear significant dividends as Libya progresses towards stabilisation.

Another problem facing the international community is, of course, that while a measure of protection can be provided by a no-fly zone and the destruction of Gaddafi's larger military capability, current coalition activity cannot protect civilians from small arms fire or other forms of abuse and oppression. Given Amnesty's reports of hundreds

of missing and detained civilians and Gaddafi's record of torture and violent suppression of opposition, what assessment has the Secretary of State for International Development been able to make of the security situation facing Libyans on the ground in different parts of the country? Are we able to get a sense of the situation from the British mission to Benghazi, the International Committee of the Red Cross, or the reports of those fleeing the country? In particular, I am concerned about reports of 80,000 internally displaced persons, with 9,000 refugees massed at the Tunisian border. Given that a disproportionate number of refugees tend to be women and children, can the Secretary of State tell the House what measures have been put in place to ensure the protection of women and children in these temporary camps? Protection of Libyan civilians does not end at the border, and the history of refugee planning and protection shows that the international community does not always take into account the distinctive needs of displaced women and girls.

Finally, given the recent media coverage of the Libyan woman claiming to have been raped by Gaddafi's soldiers, can the Secretary of State give an assessment of the incidence of sexual and gender-based violence in Libya? As the shadow Secretary of State pointed out, and as the Secretary of State knows only too well, women and girls suffer disproportionately in times of conflict and are particularly at risk of being targeted in civil war scenarios such as this one. So far, I have seen estimates of the number of dead and wounded, and estimates of the number of internally displaced persons and refugees, but not a single official estimate of the number of women and children subjected to sexual and gender-based violence, despite the fact that such atrocities are endemic in modern conflict. I remind the Secretary of State that while schools and roads can be rebuilt, communities torn apart by torture and sexual abuse are not so easily restored, and if proper restorative justice systems are not put in place early, the lasting legacy of these events will be to perpetuate violence and undermine peace building.

In light of that, will the Secretary of State tell me what consideration has been given to the implementation of UN Security Council resolution 1325 in NATO and the contact group, and in humanitarian responses? As he knows, resolution 1325 calls for the prevention of sexual and gender-based violence and stresses the need to include women in all peace negotiations. It has been worrying that so far in all the statements and speeches of which I am aware there has been no reference to women in terms of the protection agenda or the political process. Is the British diplomatic mission to Benghazi making any efforts to contact grass-roots women's groups or to establish the risks currently faced by women on the ground? Has the Secretary of State had any discussions on this subject with other UK Departments, or with NATO and UN counterparts?

If the Secretary of State is unable to answer those questions today—I did not give him notice of this speech—perhaps he will agree to meet me, the all-party group on women, peace and security and the Gender Action for Peace and Security coalition of non-governmental organisations, to hear their concerns on this topic. We are taking great care to make it clear that we are complying with Security Council resolution 1973, but the women and girls of Libya—not to mention their

husbands, brothers and sons—deserve to have us take the same care to comply with resolution 1325. We have seen time and again that we will not achieve our goals of peace and security in such regions if we do not include women. If we get just one thing right with the humanitarian planning for the future of Libya, let it be to play our part in fully protecting women and girls, and to do all we can to ensure women are given every opportunity to participate fully in peace building and reconstruction. If I can put it another way: no women, no peace.

3.34 pm

Mr Andy Slaughter (Hammersmith) (Lab): I welcome this opportunity to debate the humanitarian consequences of the Libyan revolution. We have rightly had several opportunities to question the Prime Minister and the Foreign Secretary specifically about the military and political aspects of the crisis, but, as my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman) said, the intervention in Libya was a military response to a humanitarian situation, and it is also clear that there is an interaction between the military and humanitarian aspects.

It is my understanding that the purpose of UN Security Council resolution 1973 was to neutralise the attacks on civilians, particularly around Benghazi, and, as a corollary of that, to avoid any additional civilian casualties. That was the basis on which I voted for the motion supporting the resolution in this House. The purpose of the resolution was therefore not to act as a support arm for rebel forces or to enable the arming of the rebels, nor to authorise regime change. However, in the weeks since we debated—and passed by an overwhelmingly majority—the motion on that resolution in Parliament, those distinctions have not been entirely clear. It is also far from clear what the outcome of the intervention is likely to be. Is there going to be a coup? Is the country going to be divided into a western and eastern half? Is there going to be a military victory for one side or the other, or is there going to be a continuing military situation, whether involving rebel forces or warring armies, with fighting going on for long into the future, as we have seen in Afghanistan and elsewhere? I was struck by a comment on the humanitarian situation that was made by a representative of an American think-tank, the Centre for a New American Security:

"The ultimate objective of this operation is not particularly clear, and that makes it difficult to think about contingency planning, because you have to start with an outcome you want to achieve, and then work out how you do humanitarian assistance".

I feel that in an effort to second-guess or influence the outcome of what is currently happening in Libya, there are moves in particular towards arming the rebels. Although the Foreign Secretary made it clear as recently as yesterday that the UK would supply communications, and not military equipment, US Secretary Clinton has not been as clear. She said:

"It is our interpretation that 1973 amended or overrode the absolute prohibition of arms to anyone in Libya so that there could be legitimate transfer of arms if a country were to choose to do that. We have not made that decision at this time."

There are increasing noises along those lines, however. If the west is intending to arm the rebels, it is clearly not going to arm them without also providing training, given the state of the rebel forces. If we are going to provide training, that inevitably means there will be both a long-term engagement and troops on the ground.

[Mr Andy Slaughter]

I also note the recent comments of Air Chief Marshal Sir Stephen Dalton, who said:

"In general terms we are now planning on the basis of at least six months, and we'll see where we go from there."

None of these prognoses is particularly welcome given the lesson of Iraq, and in these respects what is happening in Libya looks more and more like what happened in Iraq.

Mr Ellwood: May I urge caution in drawing comparisons with Iraq, whether or not we agree that we should have gone in there? The big difference between the approach of this Government and my right hon. Friend the Secretary of State to Libya and the previous approach to Iraq is that he is at the forefront in leading a campaign to make sure that good governance is introduced and there is reconstruction and development. That did not happen in Iraq, where, if I remember correctly, Clare Short, then Secretary of State for International Development, sent a diktat to the directors in her Department telling them not to get involved in that operation and campaign because she thought the war was illegal. That put us on the back foot, and kept us in Iraq for many, many more years.

Mr Slaughter: The last thing I want to do is make this party political, and I am sure other hon. Members would support me in that. I am talking not about the detail of what is happening, but about the impression that is being given, which will have a knock-on effect on coalition support. That impression is that the west's embroilment is going deeper and further, beyond the terms of the resolution, and so it will, in time, fracture that coalition.

I return to the specific humanitarian points and I wish to raise three issues with the Secretary of State. If he is not able to deal with them today, it would be helpful to receive a further briefing from the Government, either an oral or written one, to cover these areas. The first issue is displacement. It is estimated that about 500,000 people have been displaced in Libya as a consequence of the fighting so far, the overwhelming majority of whom—perhaps 90%—are migrants. According to the United Nations High Commissioner for Refugees, about 80,000 Egyptians and about 20,000 Tunisians have been repatriated. I am somewhat confused by that, because the most recent Library briefing says that up to 1.5 million migrants were in Libya before the crisis and that a substantial number of them were Egyptian. When I was in Cairo two weeks ago, the Egyptian Government and others were saying that we were dealing with a substantially higher number of Egyptians. Can the Secretary of State clarify where those migrant workers and residents are now? This concern for their own citizens in Libya is a substantive reason why the Egyptians have been reluctant to become more involved in the situation, despite having powerful armed forces on the border.

We did a good job, as did the international community, in moving Bangladeshi, Filipino and Nigerian migrants working in the oil and other industries in Libya out at a relatively early stage. As has been mentioned, we have not done such a good job in relation to sub-Saharan African populations. That is partly a consequence of Gaddafi's policy of opening up Libya in years gone by; he turned away from the Arab world and towards

sub-Saharan Africa, welcoming a tide of millions of immigrants from there. A substantial number, perhaps more than 100,000, remain in Libya and they have very little by way of resources. As has been said, they are the targets for violent attack by Libyans who think that they may be mercenaries or supporters of the Gaddafi regime. My hon. Friend the Member for York Central (Hugh Bayley) gave examples of these serious and damaging violent attacks, and we need to examine the matter. One response for these people is to try to get out of the country by any means possible; hence the boats going over to Italy and Malta. Many people have been lost at sea as a consequence and some have been given a very dusty welcome, with the situation being exploited politically by Berlusconi and others. That is perhaps at the depth of the humanitarian crisis.

We also face the issue of some Libyans crossing the border. Their number is relatively small compared with these other figures, at perhaps 20,000, but perhaps twice that number are internally displaced. If military action escalates, with or without the support of the coalition, the likelihood is that the number of internally displaced refugees will grow hugely. The military action has severe implications for humanitarian relief.

Secondly, I ask the Secretary of State to consider the logistics of the situation. Access to the east of the country is not so bad, and I understand that UNHCR people are going back there later this week, but despite the fact that some UNHCR employees are in Tripoli, the west is almost off limits. The situation in places such as Misrata is very severe. The Turkish ship that courageously went in after waiting outside the dock for four days was going to remove about 100 people. It did take off about 250 seriously injured people and their relatives, but it left many thousands, including about 4,000 Egyptians, who were trying to get on the ship. I would not expect the Secretary of State to comment on what relief operations are planned for Misrata, but clearly it is the most serious situation, as people are being killed every day and no supplies, medical or otherwise, are reaching the town. That is the place in most urgent need at the moment.

Many organisations, including the International Committee of the Red Cross, the Tunisian and Egyptian Red Crescent, and Islamic Relief, are engaged heavily where they can be, both in Libya and on the borders. I repeat what I said in my intervention: the funds are not necessarily available. I understand that only about 36% of the £310 million flash appeal funds sought have actually been raised, so there is a crying need for additional funding. That is why the evacuation of people from the border camps has slowed almost to a trickle. We face not only a problem of access, particularly in the west of the country, but a problem of funding. Notwithstanding the Government's efforts so far, they ought to turn their attention to that again.

The final point I shall deal with is the question of justice. A reference has been made to the International Criminal Court, and in my many visits to Gaza I have been struck by the fact that after people have suffered military action, they want to have not only financial and substantive relief, but justice. They also want those who have caused them harm to be dealt with by the rule of law. It is very important that the international community steps in at that point and that even those from the regime who are seeking refuge at the moment will in due

course be called to account. That is as important for the people of Libya in the long term as the immediate humanitarian relief is in the short term.

3.46 pm

Mr Edward Leigh (Gainsborough) (Con): It is a pleasure to follow the hon. Member for Hammersmith (Mr Slaughter)—he asked some pertinent questions and I wish to do the same. We also heard a good speech by the hon. Member for Barnsley Central (Dan Jarvis), although I did not agree with a lot of what he said. Many of his arguments reminded me of Tony Blair coming here to justify the Iraq action. I hope that the hon. Gentleman will forgive me for saying that his speech was one of a liberal interventionist. I am not one and despite the fact that I may not make myself very popular in this debate, I still want to go on asking these questions.

I felt unable to be among the 517 MPs who voted for the Libyan action. I spoke in that debate and asked a number of questions, although they are perhaps incapable of being answered. We were faced with an appalling humanitarian dilemma and I am not suggesting that there is an easy way out. As with Afghanistan and as with Iraq, my view of this action is very much based on the policy of containment and of relying on United Nations resolutions. I hope that before I sit down I will have convinced some people that we should stick to the UN resolution absolutely—no more, no less—and that there should be no question of regime change.

We wrap ourselves in a cloak of high morals, but we should remember that arms sales to Libya—to the Gaddafi regime—since 2009 have totalled £61.3 million. That means that we have provided sniper rifles, bullets, tear gas and crowd control ammunition to the Gaddafi regime that we are now trying to topple. The Foreign Secretary was careful in his use of words yesterday about exporting telecommunications equipment to the rebels. The impression given was that it would be of a purely non-military nature, but there have been reports this morning that some of the telecommunications weapons could be of a highly sophisticated variety to call down air strikes on the Gaddafi forces, so my argument is that we are gradually being sucked into action that goes further than providing humanitarian support. Perhaps the Secretary of State for International Development can assure us that that is not the case.

Martin Horwood (Cheltenham) (LD): I am sure that the hon. Gentleman will confirm that it was a slip of the tongue when he referred to communications weapons. Does he appreciate that the rebels' being able to communicate with the coalition forces might help to avoid some of the incidents we have already seen in which wrong identification has led to danger for civilians? It might enable populations to protect themselves under the terms of the resolution.

Mr Leigh: That was a good intervention. It might be that I have misunderstood and that the equipment will be used in an entirely peaceful way to avoid friendly-fire actions and that there is no question of any telecommunications equipment—not weaponry—being used to bring down fire on the enemy, but the point is made.

Another thing that worries me very much is whether, because of the talk of regime change, we are being sucked into supporting people of very dubious credentials.

Let us take the case of Musa Kusa, the former Libyan Foreign Minister, who is probably up to his elbows in blood, in terms of arming the IRA. We are told that no indemnity against prosecution will be given to him, but there have been reports this morning that we are lifting the freeze on some of his assets. How appalling it would be if that man—who at best is morally dubious and at worst may be a mass murderer through involvement with Lockerbie—is allowed to enter and leave this country with a lot of ill-gotten gains. I am reminded of one of the speeches given before the war, by Winston Churchill I think, about the danger that foreign policy can start in the Chancelleries of Europe with a broad, grand staircase and gradually, by twists and turns, descend into the torture chambers of the damned. I am very concerned that we should not get sucked into actions that are morally dubious because we are so intent on regime change that we will use any means to get it.

In the first debate on Libya I asked some questions about our strategy such as what the endgame was, what we were trying to achieve and whether we could impose a solution simply from the air, which had never been done before. I think there was some lazy thinking at the time that the Gaddafi regime was so weak that the mere existence of a no-fly zone would ensure its collapse, but that clearly is not happening. It is obvious that there is a very strange war going on there at the moment. To read the popular press, one would think this was something like the Africa Corps against the Eighth Army, but it is not. It appears to be tiny, pocket-sized groups of irregular troops, and the Libyan coastline is 2,500 km long. There is an appalling weakness in the information that we get, but it is wishful thinking to assume that Gaddafi is simply going to go away.

Something else that was not mentioned in the original debate was where the Italians were in all this. We know where they were originally: Italy agreed to pay £2.5 billion in so-called reparations for colonial rule and apologised for having colonised Libya. It agreed to help to build a pan-Libyan motorway, in return for which—this is the important point—Gaddafi would crack down on north African illegal immigrants to Italy, and it is true that they had almost completely dried up in the past two or three years, but not recently. Obviously, some deal was done between the Italians and Gaddafi that he would stop those immigrants. Italy has made the very serious point all along that if we engaged in the war there was a real danger that we would get a flood of immigrants, and that is now in danger of happening. We saw what happened with Berlusconi and the island of Lampedusa recently; it would be a tragedy indeed if by instituting this military action we created another flight of immigration.

I should also like to know what on earth the United States is doing. It announced yesterday that it was pulling out all its aircraft, but it has 2,132 F-15s, F-16s and F-22s in service. If it has more than 2,000 aircraft, why is it taking its bat away? We have only 62 Typhoons and 136 Tornados. It is very difficult to get information out of the Ministry of Defence, but Sir Stephen Dalton, the head of the RAF, said yesterday:

"It's a heck of a lot to be doing at one time."

Questions are increasingly being asked about whether we should look again at the strategic defence and security review, as the hon. Member for Barnsley Central suggested in the part of his speech that I agreed with. At the same time as we are embarking on another war, we heard

[Mr Leigh]

yesterday that 17,000 military personnel would be cut by the MOD—7,000 from the Army, 5,000 from the RAF and 5,000 from the Navy. I know that *The Sun* newspaper is held in contempt by some of the more thinking Members of the House, but it is unwise for politicians to ignore it. Its headline today is “Don’t you know there are 2 bloody wars on?” That is a retake of a headline it published on 28 August 2009 as an attack on Gordon Brown: “Don’t you know there’s a bloody war on?”

Who are the rebels? We talk about them as though they were jolly members of Sevenoaks Conservative association—[*Interruption.*] There are increasingly reports of flickers of al-Qaeda. There is Colonel Khalifa Hifter, the former commander of the Libyan army in Chad who was captured and changed sides in 1988, setting up an anti-Gaddafi Libyan national army, reportedly with CIA and Saudi backing. For the last 20 years he has been living quietly in Virginia before returning to Benghazi to lead the fight against Gaddafi.

Another odd person is Abdul Hakeem al-Hassadi, a Libyan who fought against the US in Afghanistan before being arrested in Pakistan, imprisoned, probably at Bagram in Afghanistan, and then mysteriously released. The US Deputy Secretary of State, James Steinberg, told Congressmen that he would speak of Mr Hassadi’s career only in a closed session. Let us be careful before assuming the we are not in danger of scoring a spectacular own goal. Those who talk about arming the rebels may well be talking about groups such as the Libyan Islamic Fighting Group, which is undoubtedly there.

I know that these are appallingly difficult issues and that there is no obvious solution, but I urge the House to bear in mind what this country’s geopolitical interests are. We have never been the colonial power there. We clearly have a humanitarian objective. We may now realise that there is a stalemate, and it might have been wiser to have tried to persuade the UN to try to enforce a ceasefire. Perhaps we did not talk enough about a ceasefire at the time because we were too focused on regime change. I think that we should focus on a ceasefire and accept that it is not for us to impose a solution on Libya. Appalling as the Gaddafi regime is—no one here makes any apology for it—it would seriously destabilise our relations with the Arab world if we were to seek to impose a solution. In my view, we stick to the UN resolution, in terms of a humanitarian ceasefire; we do not insist on any kind of regime change; and we hope that out of that will come some decent and proper future for the people of Libya.

3.57 pm

Mr Denis MacShane (Rotherham) (Lab): It is always a pleasure to follow the hon. Member for Gainsborough (Mr Leigh), who has an independent voice and, as he reminded the House, an independent vote on these matters. Unlike him, I am profoundly in favour of regime change. Much of my political activist life has been committed to regime change, for example against the apartheid regime in South Africa, or in Poland, where I was put in prison by the communists because I wanted regime change there, obviously by peaceful means.

Did we perhaps leave it too late to think of putting other pressures on Milosevic to get regime change there? Had we acted earlier or more decisively, might we have

stopped not only the bloodbaths in Sarajevo, Srebrenica and Kosovo, but many hundreds of thousands of citizens—perhaps as many as 1 million—of the former Yugoslavia having to flee as refugees and asylum seekers? I still have many people in my constituency, as I expect do other Members, who came here from Kosovo because we failed to intervene. I would also like to see regime change in Zimbabwe and Burma. As we look at Ai Weiwei, a great Chinese artist banged up in prison, perhaps a change of approach in the regime in Beijing would not be wholly unwelcome.

I pay tribute to the energy and leadership of the Secretary of State in providing humanitarian aid, but we took some time to get to where we needed to be. The House will record that, incessantly from the beginning of the year, I asked for debates on international affairs in either Government or Back-Bench time. The whole revolt started in mid-December in Tunisia, it spread to Egypt and to Libya and it is now taking off in Yemen, where hundreds of people are being killed and where the Gaddafi of Yemen, President Ali Abdullah Saleh, is saying, “I’m staying. We’ll open fire and my troops will be protected by British body armour as we do so.”

We do not have a coherent and overall response, and we cannot forget the Prime Minister’s arms sales trip and his remarkable statement in Cairo in mid-February, when he said that

“I am not a naive neocon who thinks you can drop democracy out of an aeroplane at 40,000 feet.”

Well, that is precisely what he then decided to do, as he agreed with the point of view, originally advanced by Lord David Owen, that a no-fly zone would be a good idea.

I do not quite accept the view that all this is a miracle of British leadership. For good or ill, some of us can read papers in other countries, and in *The New York Times* and in the French and the German press many believe that President Sarkozy was probably the driving force behind much of the UN activity on Libya, inviting the Benghazi resistance committee to Paris, offering it recognition without any consultation with London—and much of it driven by internal French political reasons.

That said, we have a remarkable UN resolution, and it throws into relief the fact that the coalition, for its first period in government, did not have an active foreign policy. It was broadly hostile to Europe, indifferent to President Obama’s United States and very much focused on mercantilism and trade, talking a lot about the BRICs, with the Prime Minister going to India and to China.

But what do Brazil, Russia, India and China have in common? They all failed to support the resolution at the UN, so Britain has to ask itself serious questions about whether we have enough allies and friends throughout the world, and whether we punch too far below our weight, because we have turned our back on alliances in Europe, we are not really that interested in collaborative work with the United States any more, and we think that, if we can send a PM to India or China, that means Beijing and Delhi will fall in behind us as they vote in international forums throughout the world.

We have to look at the structural approach to our foreign policy, and that is why I invite the House to consider this point. I address it directly to the Secretary of State for International Development, whom I

congratulate on staying for the whole debate. It is the first time that I have seen a Secretary of State stay right through a debate; and it is a tribute to the fact that he takes the House seriously and his job very seriously. I invite the House to consider the idea that, rather than just going in with stretcher bearers, aid, blankets and great waves of British generosity and charity after a humanitarian crisis unfolds, we look for more preventive development work.

I propose to the House an idea that I have raised with the Prime Minister in shorter statements and in questions. We should consider creating a UK foundation for democracy development, a properly endowed and resourced all-party foundation, which could help us to put into play some of the ideas that we have discussed in the House today, doing so before the event, however, rather than running—suddenly when a crisis breaks out—after the events on the ground, trying to get a UN resolution, to mobilise our rather limited armed forces and to find humanitarian aid.

We have the excellent Westminster Foundation for Democracy, but its budget has been cut to a little over £3 million—about half a banker's bonus at the going rate. We have development money available, and we are going to give more than £1 billion over the next four years to India alone. I am a friend of India, I hope, but it has more millionaires and billionaires than we have. It has its own aid and development programme, its own space programme and its own military programme. It gives us no help at all in international forums. In military terms, it has rather more aircraft carriers than we can manage—and so on.

We have within our national budget money to find £50 million or £100 million to create a UK foundation for democracy development. It would have three principal goals, the first being to support economic and business development. The biggest complaint from people in Tunisia and Morocco was that the regimes presiding over those two countries were deeply corrupt in terms of demanding a slice of the economic action. I was told that nobody in Tunisia would employ more than 100 people because the moment their firm got big, the Ben Ali family would arrive and take their share. In Morocco, too, there are very serious complaints. It is not all happy development there, with huge demonstrations on the streets and demands that some of the advisers around the King, who are accused of helping themselves too easily to Moroccan economic wealth, move on. We need to promote good business and free-trade market economics. At the moment, too much Maghreb and southern Mediterranean trade flows north to Europe, and very little is intra-Arab, intra-Maghreb trade.

The second goal of the Foundation should be to develop political institutions, which the Prime Minister rightly calls the building blocks of democracy. Apart from the very limited money given to the Westminster Foundation for Democracy, we have no facility in this country to advance this. All our political parties, none of which has any significant money to spend on international work, would then be resourced to try to develop democratic political institutions.

Finally, there is civil society, including the media, women's organisations, judicial organisations and trade unions. As the Secretary of State is here and has done me the courtesy of listening to my speech, I must protest that, of all the cuts it has imposed, DFID has

taken money away from the International Labour Organisation, which was set up by Britain in 1919, was instrumental in defeating communism and apartheid in the 1980s, and is seen around the world as embodying British values. DFID's removal of money from the ILO is regrettable.

By bringing in work from other Departments and from hon. Members, we can create something that is in place for the next stages, so that when regime change does happen, as I hope it will in Libya, it comes not from the air—not because of military intervention—but because Britain is there ahead of the crisis trying to promote and develop democracy, open-market economics and the building blocks of a free society with the rule of law and free media and trade unions. Let this Government's legacy be a foundation for democracy and development to make the world of the 21st century a better one.

4.8 pm

Stephen Gilbert (St Austell and Newquay) (LD): It is a pleasure to speak in this debate, and particularly to follow the right hon. Member for Rotherham (Mr MacShane). Having watched the events across north Africa and the middle east unfold, I share his analysis that we are not even at the beginning point of understanding their historical significance.

Unlike my hon. Friend the Member for Gainsborough (Mr Leigh), I remain firmly of the view that the international community took the right decision to intervene in Libya to prevent a humanitarian disaster. That intervention was both legal and necessary, and to date it has been robust but proportionate. In fact, the whole emphasis of the international community's determination to take action has been based on humanitarian grounds: first, the overwhelming need to protect the people in Benghazi from slaughter at the hands of the regime; and now the need to ensure that the people who have been displaced and are suffering as a consequence of the action that the international community has taken are protected.

It is clear that Libya faces a humanitarian crisis, particularly on its borders. It has been estimated that about 380,000 people have left the country since the unrest began and that about 13,000 people are stranded on the borders with Tunisia and Egypt. We know that the UN is still negotiating for access to send its teams to the affected parts of the west of the country and, of course, without that access it is hard to say what might be occurring in that part of Libya.

As the right hon. and learned Member for Camberwell and Peckham (Ms Harman) said earlier, let us be very clear that the failure of the Gaddafi regime to allow the UN to enter the west of Libya is a breach of UN resolution 1973. For anybody who has any doubt about the nature of the regime that we are dealing with, we now have an individual leader who is refusing the UN the right to access his people and to provide them with humanitarian assistance. That is quite wrong and we must use every avenue possible to stop it, to get access to those people and to provide humanitarian assistance across Libya.

In that context, I pay tribute to my right hon. Friend the Secretary of State. It is quite clear that he and his colleagues in the Cabinet have taken determined action to take the humanitarian consequences of the military

[Stephen Gilbert]

intervention very seriously. Indeed, DFID has already spent about £8 million helping people to leave Libya and to be resettled. As is customary for us as a nation, the UK was among the first to respond to the crisis on the border, providing shelter for up to 10,000 of the people stranded there. I am sure that Members from all parties will support the fact that the UK was among the first to intervene while encouraging many other countries to follow the lead we have taken, particularly those countries in Europe that are not playing as much of a supporting role in tackling some of the humanitarian issues as they could be and as it would be right for them to do.

I welcome the fact that we were the first country to provide blankets, tents and food supplies to about 100,000 of the people who are most in need. The Government have also provided funding for the International Federation of Red Cross and Red Crescent Societies, enabling it to provide three medical teams to treat and provide medical support and supplies directly to the 3,000 people affected by fighting in Libya.

Mr MacShane: The Italian Government are proposing to settle thousands of Libyan and Tunisian refugees from Lampedusa in mainland Italy. How many of those asylum seekers does the hon. Gentleman think Britain has taken or should take?

Stephen Gilbert: I am grateful for that intervention, which highlights a key point. We must ensure that we are building conditions in Libya that mean that people feel free to stay in the country and do not feel the need to leave or to be settled. Of course, when we are talking about the resettlement of people it is quite right that the UK should play its fair part and take its fair share of that burden in the future.

The London conference last week brought together 40 Foreign Ministers and international organisations, including the UN Secretary-General, Secretary of State Clinton and the Prime Minister of Qatar. It began to consider some of the issues that have been talked about today by the hon. Member for York Central (Hugh Bayley) and my hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown). It asked what the endgame is and what processes we can put in place to ensure that the Libyan people choose their own destinies. The London conference established a political process to support the people of Libya in making that determination and it is quite right that the United Kingdom should play a lead part and continue to give the Libyan people the support they need to make self-determination as much of a reality for them as it is for us.

The London conference, in a coming together of timings, also tackled one of the key recommendations from the Ashdown report, which made it quite clear that the international community needs to lead in humanitarian intervention and relief. I welcome the establishment of the Libya contact group to take forward the work of building up and supporting the Libyan people as they make the transition to self-determination. It is quite clear that the group will provide an important forum for co-ordinating international policy and a focal point for the Libyan people to engage with the international community. That is exactly the sort of proactive leadership

that the Ashdown report recommends, and it is very welcome. It is absolutely right for the UK to be prominent in supporting that process. Of course, it is the UN that has the critical role of ensuring that humanitarian aid gets through to those who need it. Like hon. Members from all parts of the House, I pay tribute to the work of the hundreds of thousands of people from the UN across the world who are often in harm's way, and in particular to the families and friends of the seven UN workers who were tragically murdered recently.

Let us be clear: the Ashdown report stresses that when the international community considers a humanitarian response, there must be clear leadership and it must set out on a determined course of action. It is right for the UN to take a key role in providing that leadership, supported by international partners including the United Kingdom.

I make a plea to the Secretary of State, to which I hope he will be sympathetic: our commitment to the Libyan people must be for the long term, and must not end when the guns fall silent. We must stay there for as long as it takes to deliver to the Libyan people the benefits of pluralism and the ability to reach for self-determination. I think that that is the will of the House and of the international community. It is right that we are there for Libya for the long term to give it political debate and economic growth. That will create the jobs and the standard of living that mean that the people will no longer flee from their homeland, but will be able to enjoy their country in the way that we enjoy ours.

Several hon. Members rose—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I remind Members that Front-Bench speeches will begin at 4.50. There are four speakers to come, so they will each have about seven and a half or eight minutes if the time is divided up fairly.

4.16 pm

Mr Tobias Ellwood (Bournemouth East) (Con): It is a pleasure to follow my coalition colleague, the hon. Member for St Austell and Newquay (Stephen Gilbert), who spoke with authority about the importance of Lord Ashdown's report, and the right hon. Member for Rotherham (Mr MacShane), who spoke with enthusiasm and authority about his own opinions. I say that because I am not sure that his Front-Bench colleagues would be so enthusiastic to see as many regime changes as he spoke about.

This is an important debate. The world is watching, including countries that are giving various degrees of conditional support and other nervous dictators. We must get this right, because interventionism—if such a word exists—has got a bad name recently because of our involvement in Iraq and Afghanistan. As more and more warning lights start flashing red on the Foreign Secretary's big wall map of the world, we must use our ability to persuade, influence or intervene wisely, ensuring of course that it is legal to do so and that there is regional support.

I congratulate the Secretary of State for International Development and the Prime Minister on their leadership and on their determination to make the right decisions on Libya. We started by ensuring that our citizens were

evacuated, we were the first to call for Gaddafi to go, we were the first to request a no-fly zone, we were integral in ensuring that there was a UN resolution, and of course we hosted the recent London conference, which my hon. Friend the Member for St Austell and Newquay spoke about at length. These are incredible events and I think that there are many more to come.

Some have compared this Arab spring, as it has been called, to the fall of communism. There are similarities in the way in which the world is changing and the dynamics across the globe are starting to shift. The big difference between the fall of communism and the fall of the dictatorships that we are now seeing is the lack of depth in the structures beneath the dictatorships, which are built on fear. Underneath the communist structure was a party political system and the requisite expertise at every level, from the small village council to the big city. That is absent in these dictatorships, because they are based on fear and decisions are made only at the very top. Remove the dictatorship—remove the dictator—and one is left with a precarious situation.

The Department for International Development and other agencies focus on three main themes: aid and relief, which include the emergency response; development and reconstruction, which involves help with economic programmes; and governance. Other colleagues have mentioned the first two, but I wish to focus on the third, because governance is critical to ensuring that we can sow the seeds of democracy at this early stage.

We must learn from our mistakes, as I have said in a couple of interventions. The current situation is not just about a military campaign, it is also about post-conflict planning, and that can start immediately. It should be stressed that we cannot export western-style governance and impose it on countries. That would be absolutely wrong, as we have seen in Afghanistan and Iraq. We cannot wander into countries, whether it is right or wrong, and expect the governance vacuum to be filled when there is nobody there to fill it. We saw what happened in Iraq. Even though people were delighted to see the back of Saddam Hussein, particularly in places such as Basra, there was no governance and no leadership, so we as liberators were eventually seen as occupiers. Al-Qaeda was able to take advantage of that and cause even more problems, which kept us in the country far longer than we should have been.

Jo Swinson (East Dunbartonshire) (LD): I am listening to my hon. Friend's argument with great interest, and he is absolutely right. As well as learning from our failures, we should learn from our successes. Organisations such as the Westminster Foundation for Democracy, on whose board I previously served, have done great things not in imposing democracy but in helping fledgling political parties to develop, organise and share best practice. Some activity of that type has already been going on in north Africa and the middle east, thanks to organisations such as the WFD and similar organisations from other countries.

Mr Ellwood: My hon. Friend makes an important point. Organisations such as the WFD, and larger ones such as DFID, have been ignored in the past. Their skill sets have been deliberately put to one side because, as I have said, a previous Secretary of State did not want to participate.

As Paddy Ashdown's report mentions, there is a learning curve, and the international humanitarian community must work together to ensure that an international community agenda is followed, not the agenda of individual countries. That was what went wrong in Afghanistan and has kept us there so long. There has not been a single agenda for everybody to follow.

I stress that the window of opportunity is small. If we are not there right at the start, not to tell people what to do but to provide ideas that will assist in sowing the seeds of a developing democracy, a vacuum will be created. It will be filled, because that is only human nature. For the sake of survival, gangs form, and they become militias, which eventually start fighting each other. We must ensure that we do not repeat that mistake.

Libya, of course, presents its own challenges, but also opportunities. It is effectively a 3 mile-wide country, but a very long one, which in some ways makes resupplying and so on a lot easier. In historical terms it is a very new country, having come together only when the Italians were in charge—I shall not say under their leadership. The sense of nationhood is therefore fragile.

Historically, Benghazi has always looked east. It is part of the Cyrenaica region, one of the country's three regions. Libya is a relatively wealthy country, with the largest oil reserves in Africa, but wealth is not evenly distributed. It is given to the few people who are close to Gaddafi. It is not surprising, therefore, that the so-called Arab spring started in the relatively independent city of Benghazi, which has not looked towards Tripoli for leadership. That provides an opportunity that we can start taking advantage of now. We do not need to wait for the entire country to be liberated to start sowing the seeds of governance.

Let us consider Benghazi as it is now. On the positive side, the no-fly zone has prevented the genocide that we feared. We are seeing relative peace break out there. The national transitional council has been established, created by the educated and the great and the good—lawyers, dentists, architects and so on—who have come together and effectively represent every corner of Libya. Even exiles have been welcomed back; they have not been treated as deserters as in some of the other nations that are seeking to get rid of their dictators. Professionals are taking on those roles.

Reports are sparse, but, on the negative side, there seems to be no police presence, and law and order is a question mark. Daniel Korski's report, which I recommend to colleagues, summarises the position. It states that there is no law and order in Benghazi and that many youths are going around armed with AK47s, creating a sense of lawlessness. They are all jubilant and elated because they are now liberated from Gaddafi, but there is no sense of law and order. Heavily armed men are regularly firing thousands of rounds of live ammunition in celebration, but also in frustration and in mourning. Nobody is in full control of the city. In the fog of war and under the blanket of chaos, there are tribal clashes within the city walls. Old scores are being settled. Crime, including kidnapping and disappearances, is being committed.

Even more worryingly, supplies are running short. Shops are closed, cash is running out and infrastructure is coming to a standstill. Of course, 90% of that city's

[Mr Ellwood]

population were employed by the state and those pay cheques have dried up. Across the country, 1.5 million workers were foreigners who have departed. Help is therefore required in getting governance and structures moving again.

The role of the young people is also concerning. Yes, they are taking part on the front line, but a distance is growing between their actions and thoughts, and those of the lawyers and the elderly, who are making the decisions in the national transition council. There is a disconnect between the two. The direction of travel is worryingly insular. People are not used to working with a larger network of organisations or as a co-ordinating body. Consequently, unless some outside help is gained, there will be a disconnect between the elderly and the young and their aspirations. They are not following the same agenda.

We need to be careful about the outcome and tolerant of the fact that there may be a stalemate for several years. We must be able to assist with sorting out the mess, and that will take many years. Complex laws need to be overturned. There is an absence of transparency in the structures of governance and in employment practices, as well as a lack of infrastructure and trade. A new generation needs to be trained to take on the work that the foreigners have left behind them.

The international community is not out of the woods. It is a critical time, and public opinion will swing against us if the seeds of democracy are not sown soon. The effort is international and I commend my right hon. Friend the Secretary of State's work. I urge him to continue to encourage other international operators to work with us. We must be prepared to tolerate a stalemate for the time being. I believe that we must also learn lessons from the past and ensure that all the work of international agencies and the national non-governmental organisations can be co-ordinated.

The Arab spring is spreading far beyond the Arab world, from Yemen to Saudi Arabia and the Ivory Coast. Even Gabon is unsettled. I think that 2011 will be the year of turmoil, that worse is to come, and that we need to be prepared for it.

Several hon. Members rose—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We are now in more difficulty. That speech took nearly 12 minutes and we are down to seven minutes for the last three speakers.

4.27 pm

Martin Horwood (Cheltenham) (LD): I join the Secretary of State in paying tribute to the seven UN personnel who died in Mazar-e-Sharif. We are all citizens of the United Nations, and they died in our service, too. I also pay tribute to the British armed forces who are taking part in the action in Libya and to the intelligence services, including those in my constituency. I suspect that they are also playing a part, although, as ever, they cannot tell me.

My right hon. Friend the Member for Gordon (Malcolm Bruce) and the hon. Member for Gainsborough (Mr Leigh) raised the moral imperative behind the action in Libya.

I worked for Oxfam at the time of the Rwanda genocide and I remember people's rage and incomprehension at the way in which the international community stood by as nearly 20% of the Rwandan population were massacred. That led directly to the development of the doctrine of the responsibility to protect, and I believe that the moral imperative is equally clear in Libya. As my right hon. Friend said, we had a moral duty to intervene.

I commend the Secretary of State on the Government's joined-up approach. There is clear evidence of co-ordination between not only the Foreign Office and the Ministry of Defence, but with the Department for International Development. The discrete but important work of the stabilisation unit deserves particular credit. I was also pleased that the Secretary of State said that we were learning some of the lessons of Iraq, particularly the need for a single, UN-led operation geared to humanitarian relief, and the determination to preserve state capacity in Libya. Both those elements were missing from the Iraq operation, with disastrous consequences.

I commend the Secretary of State on our generous contribution to the UN flash appeal, which I believe he did not mention. There are two major donors—the US and the EU—and Australia has given slightly more, but the UK is the next highest ranked, along with Canada and the Scandinavian countries. Germany, Italy and France have made substantial contributions on top of their EU contributions, Turkey is on the list, and Japan is quite highly ranked, which is commendable given the other demands on its resources at the moment. However, what about the countries obviously missing from that list? The Russian Federation, which is still a former superpower, has committed barely \$500,000, which is slightly more than Malta committed, and the second biggest economy in the world, China, does not appear to be on the list at all, nor does the largest economy in the region, Saudi Arabia. I would not mind if the Secretary of State told me now or in writing later whether we are taking the matter of contributions to that fund up with those Governments.

I repeat my warning that we should try to minimise the permanence of the refugee camps that are developing—tens of thousands of people are in such camps in Liberia and in the countries surrounding Libya—because all experience shows that they become dangerous. Not only can disease spread easily, but they become violent. It is impossible for children and adults, and particularly women, as the hon. Member for Oxford West and Abingdon (Nicola Blackwood) pointed out, to lead a normal life there. In time, they can become politicised, which I would have thought is a particular risk in this case. We should do everything we can to facilitate the safe return of Libyans to their homes, and the safe return of those who are not Libyan citizens to their home countries. I would be interested to hear what the Department has managed to achieve so far in repatriating people to third countries. We must also encourage safe conditions within Libya. I hope we are working with the interim national council in the areas that it controls, and which we can now regard as relatively safe, to facilitate the return of displaced people and refugees.

Several hon. Members mentioned vulnerable groups, including women and children. I was pleased that the Secretary of State mentioned close collaboration with UNICEF on that front. However, I want to highlight one other group: elderly people. I also used to work for

Help the Aged—now called Age UK—which has enormous experience in emergency situations in ensuring that the relief provided reaches elderly people, who are sometimes too frail and weak to leave the tents and join the queues for food and resources. They can easily be forgotten and left out.

One last point specific to Iraq is on the need to protect infrastructure. The Secretary of State briefly mentioned that—I think—but there is an important dimension to the responsibility to protect civilian life, which I hope extends to the protection of water and energy supplies and other vital infrastructure.

More broadly, I am very proud to be a member of a party that supports a Government who are aiming finally to fulfil the pledge to commit 0.7% of gross national income to development aid by 2013. Some of us have been campaigning for that for nearly 30 years, which shows our age. It is certainly a matter of pride that we will finally achieve that.

Various hon. Members referred to the Ashdown report, which emphasises the importance of resilience, preparation and leadership in emergency situations, but there are also lessons to be learned on longer-term development. I commend to the Secretary of State the Liberal Democrat policy paper, "Accountability to the poor", which was published last year. The paper is relevant to the situations in both Libya and Ivory Coast, including on the importance of the rule of law, transparency and good governance in ensuring that aid is delivered properly, and on the importance of Britain setting a good example through its companies and anti-bribery work. Perhaps we will ratify the UN convention against bribery.

The paper also highlights the importance of arms control. I cannot imagine what we were doing granting licences for ammunition, crowd-control equipment and tear gas to the Gaddafi regime in the first place, but I am pleased that this Government have begun to revoke some of those licences, among many other arms licences across the middle east for some dubious regimes. I am also pleased that they are fundamentally reviewing our arms sales licence regime, and I hope that that too will be a drastic review.

Environmental issues are also important, as is development education in building the support of the population for development aid, as my hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown) pointed out.

In the limited sense of providing immediate protection under resolution 1973, it is clear that we are already enjoying considerable success in Libya. An enforced ceasefire would represent further success. We could then move on to the next stage, which must be to form some judgment as to whether Colonel Gaddafi is still the legitimate Government of Libya, and on whether the interim national council could have more legitimacy in time.

4.35 pm

Damian Hinds (East Hampshire) (Con): It is a privilege to follow the contribution from the hon. Member for Cheltenham (Martin Horwood). It was one of several thoughtful and impactful speeches in this debate. Among the others were those of my hon. Friends the Members for The Cotswolds (Geoffrey Clifton-Brown), and for Oxford West and Abingdon (Nicola Blackwood) and the hon. Member for Barnsley Central (Dan Jarvis).

All three interrelated strands of efforts in Libya are concerned with humanitarian ends—the military operation, relief aid and preparation for the future. On the military operation, UN Security Council resolution 1973 specifically authorises the measures necessary to protect civilians and civilian-populated areas under threat of attack, while excluding a foreign occupation force. Clearly, embarking on any military campaign is the heaviest responsibility of a Government and should be undertaken only after all possible alternatives have been explored within the time available. In this context, of course, that time period was dictated by the immediate, real and chilling threat of the Gaddafi regime to go from house to house, room to room, showing no mercy and no pity.

So far the no-fly zone has been largely successful, and there are many people alive today in Benghazi who would not otherwise be so. I sincerely hope that these events mark a maturing of international law and institutions. As explained in detail by the right hon. Member for Gordon (Malcolm Bruce), it is the first time that the responsibility to protect has been properly carried out, and in many ways it might mark—I hope it does—a key milestone along the long road first embarked upon by Woodrow Wilson in 1919 for the role that international law and international institutions can play in a peaceful world.

There are two points of impact. Obviously, the first is about Libya itself, but the second is about everywhere else and the deterrents that could be given to despots everywhere. My hon. Friend the Member for Bournemouth East (Mr Ellwood) used the term "nervous dictators". I am delighted that they are nervous, and I hope that more of them become more nervous. Like hon. Members on both sides of the House, I was affected by my experience on one of my right hon. Friend the Secretary of State's volunteering projects in Rwanda. Of course the situation in Rwanda was very different from that in Libya, but there are some links, and it is important to learn from them. I was particularly affected by one conversation I had with a genocide survivor at the Murambi camp, which my hon. Friend the Member for The Cotswolds mentioned. I was told, "Back in 1994, while you were all arguing about the finer points of national sovereignty, international law, regional politics, balance and all the rest of it, but basically doing nothing, tens of thousands and hundreds of thousands of our friends and neighbours were dying. Please never let this happen again." As the right hon. Member for Gordon said, that was the genesis of the responsibility or duty to protect. It also had a big impact on Bill Clinton, the then US President, and then, through his counsel, on President Obama.

The second area concerns direct aid relief. I am proud once again of the leadership that this country has shown in providing aid. Inevitably, in these situations, there will be damaged infrastructure, food supply lines down, families and communities broken apart and tens of thousands of displaced people—with the hunger, injuries and sickness that come with it. Libya is, of course, an oil-rich country, so I welcome Qatar's offer to consider facilitating the sale of Libyan oil in order to fund some of the immediate aid and improvements needed.

We also have to look further into the future. We know that the surest way to ensure a safe future for the people of pretty much any country is to have economic

[Damian Hinds]

development within a liberal democratic framework and the rule of law. However, a key lesson from recent conflicts—if, indeed, it were needed—is that we cannot simply impose a western-style democracy in short order. It is therefore absolutely right that a key theme of the London conference was that Libya and the Libyans must choose their own future. Multinational bodies, and especially the nearby regional bodies, have a key part to play. They include the UN, the EU, the African Union, the Arab League and the Organisation of the Islamic Conference. The Libya contact group, which was initially convened by Qatar, is obviously very much to be welcomed.

We do not know what the circumstances in Libya will be in a few months' time, or in one or two years' time, but we do know the key building blocks for a more successful and safer future: infrastructure; social, medical and educational services; security; property rights; the rule of law and a functioning justice system; and, ultimately, civic society, the media and political parties. This country has much experience in those areas and much to share. I welcome what the Secretary of State said about the stabilisation unit. On that point, I join the right hon. Member for Rotherham (Mr MacShane) in asking the Secretary of State to clarify how he sees that body evolving and to say which institutions will be key to that process in the medium term. Britain has a long history and a lot of responsibility in this area, and I am sure that it will continue to play its full part.

4.41 pm

Alec Shelbrooke (Elmet and Rothwell) (Con): Today's debate has inevitably focused on the military action in Libya. I want to focus on humanitarian relief, which is important, but there are also a couple of points that I want to make about the military action.

We have often been asked, "Why are we doing it?", and so on. Britain has a strong history in helping the oppressed, including the Jewish refugees who came to Britain from Germany and elsewhere in Europe in the 1930s—not to mention the security that we need for our own borders. I very much enjoyed the speech by the hon. and gallant Member for Barnsley Central (Dan Jarvis). I am sure that, had it been in his speech, he would have said that when he was taking part in military patrols in other countries, he felt that he was doing humanitarian aid work, rather than serving as a soldier in an aggressive force. I am sure that many in the armed forces would feel that way too.

We did indeed learn the lessons of Srebrenica. When I was a young man watching what was going on in the Balkans, I completely lost faith in the UN. I wondered what the point of it was, if it was going to stand by and let innocent people be murdered. We learnt those lessons; we have approached the current situation properly. We went to the UN and we have a mandate. However, having secured that mandate and protected countless lives in Benghazi, as my hon. Friend the Member for East Hampshire (Damian Hinds) has just said, we have to move forward. I believe that we have strengthened this Parliament by taking the action that we have and by saying to the British public, "We've done this wholly legally—we've gone to the UN and we're backing it up." However, we will lose that faith in this Parliament if we

let a humanitarian crisis develop. I therefore praise the Secretary of State for his work in helping the humanitarian effort.

There has been a lot of comment about the previous Government's work with Gaddafi and whether that was right. Again, we can learn from history. Perhaps the previous Government were looking at what happened in Northern Ireland with the Good Friday agreement and how, when we spoke directly to the terrorist organisations, we were able to bring about a peace that is now so strong that all sides in Northern Ireland jointly condemned the murder of the police officer this week. However, the difference was that we were not dealing with a lunatic. In the 1930s we tried to deal with Hitler with appeasement, but we were dealing with a lunatic, and Gaddafi is also a lunatic—a man who has murdered our citizens in Northern Ireland and Scotland, and who would quite happily murder his own civilians for his own need.

We have brought about that faith in this Parliament and we have realised that, as history has shown us, we cannot go down the road of appeasement. However, just because the leadership may not be civilised, that does not mean that the people of Libya are not civilised. Overall, it is a civilised society, with highly developed cities. It is our duty to protect the innocent people from what is happening there. There are families on the borders, with young women, children and elderly people in the cold and not knowing where to go. Some are ill; some are sick; some are wounded. It is our responsibility to ensure that we can work to supply aid on and around the borders of those countries.

We have rightly focused on Libya, but I congratulate the Secretary of State on his earlier comments about the aid that we are putting into the areas around Côte d'Ivoire as refugees pour across the borders. We have the means and the ability to help people in those areas, and we can rightly stand up and be proud of that. It is all very well trying to intervene in world crises, although we are right to do so, especially when asked to do it in a totally legal way, but we must take that further step. It is not good enough simply to drop the bombs. Tragically, sometimes, people who are not involved in the conflict are killed, but in dictatorships such as Libya, the regime will draw into itself, and to hell with the people it is supposed to represent. That is when a responsible country such as ours has to step in.

I am very proud that we will be giving 0.7% of our gross domestic product in international aid by 2013. That is something that we can all be proud of, and that unites Members on both sides of the House. When people say to us on the street, "Why should things be cut when we are giving money to foreign people?", we can tell them that it is the right thing to do. It is the right thing to do in the world, and for our country. It also benefits our country. If we can create the proper security and meet the humanitarian needs of the refugees pouring out of those countries, or keep them within their area, it will be easier to repatriate them when times become more stable. We will not then see masses of immigrants flooding into our country. We would rightly offer them asylum here, as we have done in the past, but if we can solve the problem in their own country, that is the right thing to do. That is the message that we must send out from this place. This is not only the right thing to do; it also has a direct impact on the people of this country.

I commend the Secretary of State and his Department for their efforts. He has shown Britain to be a beacon of hope to the oppressed people of the world. We are following the right path in taking legal military action, but let us not underestimate the importance of ensuring that the humanitarian relief that we put in place in all those zones is seen to be effective by the people it is helping, and that it is actually helping the people in those countries.

4.47 pm

Rushanara Ali (Bethnal Green and Bow) (Lab): I should like to thank the Secretary of State for arranging this debate. I also pay tribute to the staff at the Department for International Development, the Foreign and Commonwealth Office and the humanitarian agencies for their work in this incredibly testing period. We also owe our gratitude to our brave servicemen and women who are engaged in protecting civilians in Libya under UN resolution 1973, and let us again pay our respects to the seven UN staff who were killed in Afghanistan at the weekend. We are grateful to the Secretary of State for updating us on the situation in Ivory Coast, as well as for his extensive update on Libya. We welcome the humanitarian and emergency response review, chaired by Lord Ashdown, which builds on the work of the last Labour Government, and the positive international reputation of the Department for International Development.

The contribution to the debate today from Members with so much expertise has highlighted the deep concern and commitment felt towards those who are suffering around the world, whether due to natural disasters, repression, human rights violations or conflict in countries such as Libya and Ivory Coast. The hon. Member for The Cotswolds (Geoffrey Clifton-Brown) spoke of the generosity of the people in neighbouring Tunisia, the importance of the Arab League's involvement and the co-ordination between the international aid agencies. My hon. Friend the Member for York Central (Hugh Bayley) spoke with immense expertise about the need for a political solution and the dangers of arming the insurgents in Libya. Other hon. Members shared that concern.

The right hon. Member for Gordon (Malcolm Bruce) spoke of the background to the duty to protect, and the struggle by many hon. Members to establish that duty, which underpins the present action. My hon. Friend the Member for Barnsley Central (Dan Jarvis) spoke powerfully from experience, and talked about Britain's history of intervening in the pursuit of justice and standing up for those who suffer in conflicts such as the one in Libya. He also spoke of the need to look again at the strategic defence and security review.

The hon. Member for Oxford West and Abingdon (Nicola Blackwood) spoke powerfully about the protection of women and children, and the need for protection from sexual violence. Other hon. Members spoke about the need to support civil society organisations. I do not have time to sum up the wonderful and expert contributions of many other Members, but I want to say that it has been heartening to listen to them in the House today. The conviction and passion expressed by Members of all parties and the general support, albeit with some exceptions, for the intervention in Libya have been notable.

The events of recent months have tested the world's resilience and ability to respond to humanitarian crises. Natural disasters and political uprisings have become increasingly frequent. Even though New Zealand and Japan are advanced countries, the situation in those two countries makes it clear that the international community is being increasingly tested. If those countries find it challenging to cope with such disasters, countries such as Haiti and Pakistan, which faced floods and earthquakes last year, are clearly going to require ever-increasing support.

As Lord Ashdown's review highlighted, we need to be better prepared, better equipped, better co-ordinated, better focused and better organised and resourced in tackling these conflicts and challenges, which are likely to become more frequent. That is why we welcome the humanitarian review and look forward to the debate on the subject after the recess.

I have a few brief questions about Libya, some of which have been raised by hon. Members. Time is limited, so I shall highlight three points. First, the regional inter-agency flash appeal for the Libyan crisis was revised on 1 April, with \$310 million requested for the period from March to June. As mentioned earlier, only 36% of that sum is funded, yet it is estimated that 1.5 million people are now affected. What is the Secretary of State's Department doing to secure further financial support, not only from our own Government but from the international community?

Secondly, we must ensure that all sides of the conflict are allowed unfettered humanitarian access to the civilian population. Will the Secretary of State tell us what steps are being taken to ensure that aid can reach Libya by sea and that, if necessary, civilian casualties can be evacuated?

Thirdly, it is clear that a lasting political solution is vital, as many Members have highlighted, and that given the neglect over the last four decades, civil society needs to be strengthened and built up. Economic reconstruction is also required. Will the Secretary of State press the international community to ensure that those issues are made priorities?

In my last couple of minutes, I would like to raise a couple of key questions about Ivory Coast. The situation is clearly critical and, as we heard in reports last night, is changing by the hour. Baroness Amos spoke about mass graves being discovered, although that needs to be verified. We call on the British Government to pay even closer attention to the emergency in Ivory Coast. Given the challenges that that country faces, equal effort and attention should be paid to that. We must recognise that conflict in Ivory Coast risks destabilising west Africa, and that countries such as Liberia need our assistance to cope with the movement of refugees. I call on the Secretary of State to encourage our European counterparts to ensure that Ivory Coast and neighbouring countries receive the support that they require, and that the British Government step up their efforts to secure a political settlement in that country.

4.55 pm

Mr Andrew Mitchell: This has been a highly informed and extremely interesting debate. I am grateful for the warm support expressed throughout the House for the work of my officials, which I shall certainly pass on to them. I shall try to respond to a number of the points that have been made, and I shall of course write to Members to whose points I fail to respond.

[Mr Andrew Mitchell]

As I listened to the opening remarks of the shadow Secretary of State, the right hon. and learned Member for Camberwell and Peckham (Ms Harman), I struggled to identify any points of difference between us and failed to do so. I am grateful for her support. She referred particularly to the issue of Ivory Coast, with which I dealt in my own opening remarks. Obviously, this is a chapter VII rather than a chapter VI United Nations assignment. In a recent United Nations resolution we called for more effective use of that mandate, which I think we have seen in recent days. I can also tell the House that during the debate the position has changed in Ivory Coast. We believe that Gbagbo and his forces are currently negotiating surrender, but time will show whether that is indeed the case.

I can give the right hon. and learned Lady the assurance for which she asked: we will indeed focus very directly on the crisis in Ivory Coast which has spilled over the border into Liberia. That is why the Under-Secretary of State for International Development is there today. In terms of British taxpayer support, we have delivered more humanitarian relief to Liberia and Ivory Coast than the total spent so far in Libya. The right hon. and learned Lady was right to say that that emergency should not be forgotten, and it will not be. As the hon. Member for Bethnal Green and Bow (Rushanara Ali) pointed out, it is essential that we do not forget the allegations and atrocities, and I can give her the assurance she seeks that the British Government will strongly support their full investigation.

The right hon. and learned Lady referred to the responsibility to protect, as did others, notably the Chairman of the Select Committee, my right hon. Friend the Member for Gordon (Malcolm Bruce). Important work was led by Gareth Evans, who was a Labor Foreign Secretary in the Australian Government. The whole world should be grateful to him for what he did, but it remains, in my view, a bumper sticker rather than a policy. It is up to us to try to ensure that we put far more flesh on the bones of R2P.

The right hon. and learned Lady asked me about the European Union's contribution. In Libya, it has contributed €30 million so far. I have had discussions with Cathy Ashton, and we are sure that the EU will be part of the support for stabilisation, about which I shall say more in a moment. The right hon. and learned Lady also asked me who was in charge. In terms of the humanitarian work, Valerie Amos leads for the United Nations, and it is incumbent on us all to work extremely closely with her.

As for the work on stabilisation, which is of course different from the work on humanitarian relief, the United Nations—in the form of the Secretary-General—has agreed to lead that work. He has put Lynn Pascoe in charge of it, under him, and we will work extremely closely with all the agencies involved in the United Nations. I will shortly be going to New York to ensure that Britain plays a full role in that.

My hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown), who knows a great deal about this matter, spoke up forcefully for British international development policy. Like many other Members on both sides of the House, he emphasised the importance of humanitarian intervention. He asked whether there had

been a change in the policy on regime change. My answer is no, there has not, but we do believe that Gaddafi has no legitimacy and should go.

In a typically sensible speech, the hon. Member for York Central (Hugh Bayley)—who I think can be described more accurately as the York citizen in Parliament—referred to the importance of resilience. He asked about the UN International Strategy for Disaster Reduction, but we have focused on the question of which agency delivers to best effect in terms of both value for money and results, and other agencies we will be using do the same work as the UNISDR. I should make it clear to him that we seek to deliver on specific outcomes, which is why we have contributed to the UN central emergency response fund, and indeed to UNICEF, so strongly.

My right hon. Friend the Member for Gordon gave a typically thoughtful and wise speech, in which he sought to nail the canard that we have intervened because of some interest in oil. Of course he is right to say, as the Prime Minister has said, that we have no national or selfish strategic interest. Instead, we are intervening in support of UN resolution 1973. He and many other Members talked eloquently about Lord Ashdown's report, and I will report to the House in the middle of May on the Government's conclusions on that, after having studied and reflected on—and, indeed, consulted further on—Lord Ashdown's report. I note, too, that my right hon. Friend's Committee will be producing work on the role of the European Union in development, which will be extremely welcome.

The hon. Member for Barnsley Central (Dan Jarvis) spoke up eloquently, ventilating the dilemmas we face. He talked of the balance we need to achieve. He also praised the reporting of Daniel Korski, a former head of the provincial reconstruction team in Iraq, and a distinguished past adviser on conflict to my Department. The hon. Gentleman asked whether the Government's approach to stabilisation was properly joined up. The stabilisation unit has been involved from the beginning on these issues, and is, of course, a tri-departmental unit. It is producing extremely helpful work.

My hon. Friend the Member for Oxford West and Abingdon (Nicola Blackwood) spoke about the importance of stabilisation. She also spoke about the critical importance of looking after, and defending, the interests of women and children. I should say to her that those in the camps on the border with Tunisia, and to a lesser extent with Egypt, are, thank goodness, predominantly fit, young men, so we have not seen what has happened in Ivory Coast on the Liberian border, where women and children are highly vulnerable. That is why we have given very specific support to UNICEF; we want to make sure the interests particularly of children are defended.

The hon. Member for Hammersmith (Mr Slaughter) asked whether we are arming the rebels. We have not done so, and we have no plans to do so. All the action we take is in accordance with UN resolution 1973. He also asked about the situation on the borders. Some 400,000 people have left, and there are only some 10,000 to 12,000 people on the border now, so the work of seeking, through the international community, to get people back to their homes and families has been pretty effectively carried out. He asked about supplies to Misrata. Medical supplies have got through from the International Committee of the Red Cross in small boats through the Libyan Red Crescent. We are actively looking at ways of

supplying food and medicine to Misrata, and I believe that a boat from the ICRC itself will be arriving there today.

My hon. Friend the Member for Gainsborough (Mr Leigh) made an important speech, in which he raised the dilemmas and difficulties that we face. I should just say that he has clearly not addressed the Sevenoaks Conservative association, and he should take an early opportunity to do so. I hope to be able to discuss with him the important matters that he raised in his speech at another time.

I have failed to comment on the very good speeches by the right hon. Member for Rotherham (Mr MacShane) and my hon. Friend the Member for St Austell and Newquay (Stephen Gilbert)—

5.4 pm

Motion lapsed (Order, 29 March).

Backbench Business

[1ST ALLOTTED DAY—SECOND HALF]

Easter Adjournment

5.4 pm

Mr Peter Bone (Wellingborough) (Con): I beg to move,

That this House has considered matters to be raised before the forthcoming adjournment.

It may help if I tell the House that we are using a modified Hollobone formula today, whereby the first group of speakers will have a Department for Work and Pensions Minister replying to them, but for the rest of the debate the fount of all knowledge, the Deputy Leader of the House, will respond. If he cannot respond substantively, a Minister from the relevant Department will provide a written response to Members.

Mr Deputy Speaker (Mr Lindsay Hoyle): I remind hon. Members that we have a time limit of six minutes.

WORK AND PENSIONS

5.5 pm

Tony Lloyd (Manchester Central) (Lab): I suppose that I should be delighted to be the first part of this Hollobone experiment. I am delighted that the Minister of State, Department for Work and Pensions, the hon. Member for Thornbury and Yate (Steve Webb) is in his place, although I shall not be discussing his immediate subject brief. I wish, instead, to talk about the very important subject of health and safety and the Government's recently published document "Good Health and Safety, Good for Everyone".

In my working life, my political opponents have never tried to kill me but when I worked in some dirty industries as a younger man one or two of my employers did. Health and safety is not a bolt-on extra, and I can see that the Minister agrees with that sentiment. The document's introduction states:

"No business benefits from having a bad safety record."

We would all agree with that, but it is a bit worrying to see it go on to say:

"But the burden of health and safety red tape has become too great".

I do not regard health and safety as being a burden on industry; it is a necessary part of a good and proper working culture, and it involves both the employer and employee in a contract. That contract is not of the normal financial nature; it is about preventing injury and illness, and, in some cases, preventing risk to life.

In that context, I wish to put a number of points across, and I hope that the Minister will be able to respond to them. Health and Safety Executive funding is being cut by some 35% over the comprehensive spending review period, and that is a significant decrease. The worry is that the new health and safety framework is rather more concerned with cutting down what the HSE does than with ensuring that health and safety working practices are in place.

Some of the health and safety statistics are worth recalling. Although the number of accidents in Britain has declined in recent years—that is a very welcome

[Tony Lloyd]

trend—there is nothing inevitable about that decline, and health and safety has to be worked at all the time. It is worth while recording the fact that even companies that have been inspected by the HSE do not regard this as a burden of red tape; 89% of them found that exchange with the HSE helpful. So I applaud the work of those in the HSE. We should be very concerned about the idea of withdrawing from proactive inspections of places of work.

Agriculture is one of the industries that the Government tell us will not be routinely inspected—or are not likely to be inspected very often—yet its health and safety risk is 16 times that of industry in general. Agriculture will be lightly inspected and I am not sure that that is the right way to make progress, given that health and safety inspections are not a penal structure. What I want to get across is the fact that proactive engagement is worth while, not because it penalises, but because it encourages. Some 65% of firms reckoned that they had improved their health and safety operations because of the potential for inspection by the HSE.

Something else that I wish to concentrate on is the HSE's inability and seeming reluctance to prosecute. If we are to have a lighter-touch approach to the inspection of working places, there must be at least a commensurate disincentive to those who breach the health and safety rules. We know, as a matter of practical fact, that the number of prosecutions has declined dramatically over the past 10 years. In 2000-01, there were about 1,900 prosecutions, but that number declined to a little over 1,000 in 2009-10. The number halved in that period.

I had a recent experience in my constituency with the Grafton hotel in Manchester. Its operators had been told that it was not fit for use, but they were still allowing students to stay in it despite the health and safety risk. In the end, that was prevented by the actions of Manchester city council and the local fire service, and the students who had moved in were, at the expense of the operator, moved out and housed somewhere else. That was right and proper, but I found it difficult to understand why the Health and Safety Executive refused to prosecute in that case even though that company had manifestly put those students' lives and well-being at risk. In my exchanges with the HSE, its chief executive wrote me a very evasive answer about why it had not prosecuted and an even more evasive answer when I asked about its policy on prosecution. If we are to have a lighter-touch approach, and I am not sure that is the right direction of travel, the worst offenders have to be brought before the courts. We would do that with someone who had been warned about road traffic offences. They would then be prosecuted and we must do the same when people's lives and health have been put at risk.

5.11 pm

Fiona Bruce (Congleton) (Con): I am grateful for the opportunity to raise the issue of advice for professionals, managers and those in skilled senior roles who face redundancy and seek re-employment. A number of letters and surgery attendances from constituents in that position have highlighted common themes about how we support those who approach jobcentres for help, and they have led me to raise this issue. I recognise

that jobcentre staff undertake an extremely challenging role in helping disappointed and sometimes embarrassed individuals to be restored to the dignity of working life and I do not criticise any individual in a jobcentre or any particular jobcentre. Indeed, I have visited my local jobcentre where the staff are hard-working and committed. Rather, I want to highlight some systemic issues.

Common themes highlighted by my constituents include the need for training at an appropriate level, the need for a more tailored client approach and the need to signpost appropriate executive-level job opportunities or agencies. Constituents have also requested that opportunities within voluntary organisations should be identified and promoted to help them to broaden and update their skills and CVs. There is a need to point in the right direction those who want to use their experience to set up their own business and it is important to provide the managers of companies in which redundancies are planned with constructive support in assisting staff with finding new jobs at the earliest possible stage—ideally before redundancy hits.

May I illustrate those issues through the experiences of some of my constituents? A senior project manager who had overseen a number of complex building projects such as a forensic lab, a theatre and a sports centre and who had managed many skilled staff asked for help and was sent on a training course to learn how to look for jobs online. It was so basic that he learned nothing and ended up helping the person running the training programme to teach others. He was sent on an interview training course, which was again so basic that he was told to shine his shoes and what to wear—wholly inappropriate for a man who had selected and recruited hundreds of staff himself. That was a waste of time and public resources, but for the training he really wanted, to update his senior construction skills certification scheme card, no help was available.

Another constituent of mine, a lady who had worked for a leading bank for more than two decades, wrote:

"Signing on was a completely humiliating experience. Professional people are just not catered for...I was less motivated coming out of"

the jobcentre than on going in. She also said that the box-ticking procedures could have been done by computer terminals.

When I raised these issues with Jobcentre Plus, I was told that in 2009 it had

"introduced a new range of support for customers with a professional or executive background",

including job search techniques, signposting advice and coaching seminars. However, a constituent of mine who had been seeking work for several months told me that none of that had been offered to him in an appropriate manner.

Another constituent wrote to me about his experience of trying to set up his own business, saying:

"I have received absolutely no help whatsoever".

One might argue that it is not the role of jobcentres to advise on setting up a business, but at least better signposting to organisations that can provide such advice would be a good start, particularly if we are serious about encouraging enterprise.

From a separate but very serious perspective, this week I received an e-mail from a manager at Ideal Standard, the bathroom manufacturer that is closing a

factory in Middlewich in my constituency. More than 250 people will lose their jobs there by June. He highlighted how difficult Ideal Standard has found it to obtain the right support for its workers who are facing redundancy and want re-employment. Although in other parts of the country there might be individual support and funding for retraining, he says:

"For those of us who live in the CW post codes, i.e. the Cheshire East area and your Congleton constituency there appears to be nothing; no support for retraining redundant employees. Employees are going through and coping with huge and major stress factors during this emotional change and site closure. To date, they have handled themselves extremely well, with professionalism, respect, pride and dignity, and I can only say how proud I am of them all. However this situation only aggravates and upsets people and contributes to pushing some beyond their limit. We have no control of this and cannot influence any outcomes. It is most unfair".

Will the Minister please look into this specific issue raised by Ideal Standard as a matter of urgency?

Finally, another constituent has told me that in looking for work she was willing to work voluntarily to improve her CV and job chances, but she was told by the jobcentre that it was not its role to signpost her in that respect. She wrote to me and said that there is an

"evident lack of suitable advice/provision for claimants from a professional background... There does seem to be a gross failure and it is affecting a great many people's lives."

She wants to work. I look forward to the Minister's response.

5.16 pm

Nick Smith (Blaenau Gwent) (Lab): I am grateful for the opportunity to speak on welfare reform and how it will change the lives of my constituents. Like me, the residents of Blaenau Gwent believe that people should always work if they can. Work is good for people. It helps to give pride and a sense of purpose in life. It improves economic well-being and health.

The world of work has been transformed in Blaenau Gwent. Our economy, which was once dependent on coal and steel, has been diversified into manufacturing, pharmaceuticals and the public sector, including health and local government. Many local people now take the train to work in Cardiff. Local people also know that sometimes they need to follow the work. For example, when the Ebbw Vale steel works closed, some employees, including members of my family, transferred to the Tata steel works at Trostre near Llanelli. Having said that, it is a tough ask for many people to up sticks, particularly if they are in their 50s, and especially when house prices are low, child care is in short supply and they have to support their working children and their grandchildren.

In an area where people are still suffering from the illnesses inflicted by former heavy industries—it is the top hot spot for chronic obstructive pulmonary disorder in Wales—our valleys communities know that some people, through no fault of their own, are not fit to work. Crucially, they know from hard experience that people will work only if there is work to be had. The unemployment rate in Blaenau Gwent is 10.6%, and the working-age benefit claimant rate is a staggering 26.7%. There are 9.2 applicants for every Jobcentre Plus vacancy. That is a snapshot of my constituency. Those rates and percentages refer to real people and real families of all

ages, and if changes affecting their lives are to be made, they should be changes for the better that are properly piloted and managed.

I know that our current welfare system causes frustration and distress to some constituents, because benefits and tax credits form the second largest part of my constituency casework after housing. I am sure that I am not alone in anticipating that such casework will increase as this week's welfare reforms are introduced. In recent months I have met jobcentre staff, local authority staff and my own local social housing provider, and my team has swapped notes with the citizens advice bureau. I wanted to find out who will be affected by the reforms that are coming in, whether the details of benefit changes are clearly and easily understood and how they will be made.

So what is the picture on the ground in a constituency of 54,000 electors? There are 6,240 people in Blaenau Gwent claiming either employment and support allowance or incapacity benefit. Labour created the new test for people on incapacity benefit to see what support people needed and who should take steps to get back to work, but the Conservative-led Government are moving to a new assessment procedure, which I and agencies in Blaenau Gwent fear will deny people, perhaps with cancer or with mental health problems, the help and support that they need.

Some 4,180 recipients of incapacity benefit in Blaenau Gwent will undergo a reassessment, and initial estimates suggest that 1,254 of them will be found fit for work and barred from claiming ESA. Those found fit for work will have to apply for jobseeker's allowance and will see up to £28.85 lost in weekly benefits. In addition to those deemed fit for work, trials also show that a further 39% of incapacity benefit claimants will be placed in a work-related activity group. In effect, it means that a potential 69% of those IB claimants being reassessed will either lose their benefit entirely or see the demands placed on them increased.

One of my concerns is that the test that decides who goes where has been found to have serious flaws, and preliminary trials show that people with multiple sclerosis and serious mental illnesses have been found fit for work. Staff at our CAB in Blaenau Gwent say that their office has had numerous complaints from clients about medical personnel not listening to them when they go for medicals. The test must measure fitness for work accurately, so it must take account of variable symptoms, the seriousness of underlying conditions and the context of the work environment.

Despite all that, the Tory-led coalition is ploughing ahead with a massive increase in testing. Charities say that that roll-out is happening too fast and Government reforms to the system will not be implemented in time. Jobcentre Plus is to have more autonomy over decision making, and I welcome that. I hope that it will, and that jobcentre staff will help people to move into sustainable employment and to obtain the benefits to which they are entitled.

On the changes to housing benefit, Blaenau Gwent has 1,298 local housing allowance claimants who will be affected by the change to LHA rates. From January, 799 people under 35 years old will be on the shared room rate, rather than on the rate for a full flat, and an analysis by the local council showed that an average person in that age group will see their housing benefit reduced by about £25.92 a week.

[Nick Smith]

Many reforms are taking place, but unfortunately I do not have time to cover them. I wish to highlight the scale of the changes from this month and in subsequent months and years not just for the individuals affected, but for our local economy. This is big-ticket stuff for our families and for our economy. In Blaenau Gwent and in south Wales we need an ambitious plan for growth and, in particular, investment in our transport and IT infrastructure to boost jobs. We need also fairness and good administration of the benefit changes that will be introduced this month.

Finally, the Prime Minister has told us that the Government's Work programme will be the best ever. My constituents need nothing less, and we will hold him to his word.

5.22 pm

Nicky Morgan (Loughborough) (Con): I thank the Backbench Business Committee for giving me this chance to talk about the Child Maintenance and Enforcement Commission, or one element of it—the Child Support Agency.

In the borough of Charnwood, the CSA currently handles 2,000 cases, and I am sure that many colleagues throughout the House know of similar work loads. Despite the best efforts of the staff my office has dealt with, it is clear that the CSA is not working and seems to embed conflict between separating parents. It costs £460 million per year, or 40p for every £1 collected, and on a day when the Government are talking about social mobility we must ensure that such organisations as the CSA do not play their part in hindering the life chances of those children who rely on it.

In the Government's Green Paper, I welcome the approach of considering child maintenance not in isolation, but with the Department for Education and the Ministry of Justice as part of the family law review. Based on the cases that I am going to mention, with the permission of the people involved, however, I particularly feel that access to the children for whom maintenance is being negotiated cannot be sidelined.

My main reason for speaking today is to give a voice to some of the parents who have contacted me about the CSA since my election last year. I realise that there are two sides to every case, but they highlight why change is needed to the way child maintenance is collected and calculated. I want to concentrate on three areas: enforcement, charges for those who have to rely on the state system and, in terms of the families involved, the need to look at the whole picture.

Mrs Denise Kuzniar, one of my constituents, has been receiving child maintenance payments from her ex-husband through the CSA for the past 11 years. However, the payments are intermittent, sometimes stopping for several months at a time, and she is currently owed £2,300 in arrears. She is in increasing debt as a result of this situation. She has two teenage children to look after and is really struggling to make ends meet. I have had several conversations with the CSA about this issue, but no serious enforcement or action to remedy the situation has taken place. Any reforms to the statutory system evidently need to include much more stringent

enforcement provisions so that parents do not have to go through the pain and uncertainty that Mrs Kuzniar has suffered.

In addition, Mrs Kuzniar is already struggling to support her family, and it would be all but impossible for her to reach a private maintenance agreement with her ex-husband, given his continued attempts to avoid making payments through the CSA. Under the Government's proposals, it appears that she would have to turn to the statutory system and potentially incur a charge on a case-by-case basis. This would be devastating for her in view of the number of times her case has had to be re-assessed by the CSA because of her ex-husband's actions.

I have been contacted by many other constituents who have faced similar difficulties and for whom the idea of making private arrangements with their ex-partner is unthinkable, so that they, too, would have to turn to the state system. One ex-partner has been requested to pay only £5 per child, but instead seems to do what he can in order not to have to pay the mother anything. There is a risk that under the Government's proposals, vulnerable parents such as those I have mentioned will be forced to turn to the statutory system but could be put off doing so by the thought of having to pay to access the system. I realise that there are proposals to ensure that the non-paying partner pays the charges, but this must be made clear to all involved, as it is clearly causing a great amount of stress and worry.

I want to highlight some of the issues currently faced by parents making payments through the CSA. I have been contacted by numerous constituents who say that even under the current system, these payments are unaffordable and do not share the burden of responsibility evenly between the partners involved. These parents literally live on the breadline, and although they do everything they can to support their children and would be willing to come to a private maintenance agreement with their ex-partner if possible, they have been unable to do so for a variety of reasons.

I particularly want to talk about the cases of two fathers, because we often concentrate on the mothers involved. The Minister may be aware of the case of Mr Jonathon Little, about whom I spoke at Work and Pensions questions last week. Mr Little has not seen his children for two years, although he has been to court more than 40 times to get agreement to visit. He is paying £446 per month under the old scheme for children he does not see. Meanwhile, he cannot afford to keep a roof over the heads of his new family.

Mr Mark Boylan has been left with only £49 in disposable income a month after paying the CSA and all other expenses. His assessed payment should be lower, as the CSA charge attracts a discount if someone looks after their children for more than 52 nights a year. However, his youngest daughter is two years old and too young to stay away from her mother overnight. As a result, although he looks after her during the day and pays all expenses for her, the CSA will not give him any discount for the care because she does not stay with him overnight.

I have sought to highlight some of the major concerns raised by constituents about the proposed changes to the child maintenance and support system, but I have also mentioned the problems with the current system because they clearly demonstrate that reform is very much needed. There must be robust enforcement

mechanisms which prevent parents from using various means to avoid paying what they owe, there must be clarity about charging, and the system must be flexible enough to reflect both parents' incomes and who is taking the burden of financial responsibility for caring for the children.

5.28 pm

The Minister of State, Department for Work and Pensions (Steve Webb): I am grateful to the four hon. Members who have contributed to this debate. I have been asked to keep my remarks relatively brief because many hon. Members want to contribute on a range of other topics, but I hope to offer a few comments in response to the speeches that we have heard.

I thank the hon. Member for Manchester Central (Tony Lloyd) for his measured comments on the Health and Safety Executive. I, too, applaud its work, which the Government continue to value. He will be aware that in the context of the comprehensive spending review, all Government bodies, including the HSE, are being asked to make savings. The HSE is doing this very much by focusing on the highest-risk sectors and trying to take a risk-based approach. I entirely agree that health and safety is not a bolt-on and that good health and safety regulation and legislation is not simply red tape. On the other hand, there is a concept of proportionality in regulation. One could try to regulate and legislate to eliminate every possible conceivable risk, but at disproportionate cost relative to the damage that one would do to employment and businesses. As the hon. Gentleman says, there is a balance to be struck. We do not want employers taking chances with people's lives; on the other hand, we do not want to get in the way of employers who basically want to get on with doing a good job and who are not taking risks with health and safety but find themselves constrained by unnecessary bureaucracy and regulations. That is what we are trying to achieve.

The hon. Gentleman welcomed the decline in the number of accidents and said that there was no guarantee that would continue. He is of course right, although it is interesting that much of that decline has happened at a time when more money was not necessarily being spent and new regulations were not necessarily being brought in. That shows that we can achieve improved outcomes in health and safety without necessarily increasing budgets or passing new laws. Good proactive and reactive health and safety work and good conduct by employers and employees can achieve improving outcomes. The link between spending and outcomes is not linear. We can deliver good health and safety outcomes with a reduced budget, as recent history shows.

The hon. Gentleman mentioned the decline in the number of prosecutions, although of course if there were fewer accidents that would, we hope, lead to fewer prosecutions. There has not simply been a step change in the willingness to prosecute. Under the Health and Safety Executive's enforcement policy statement, prosecution is the expected outcome when the investigation of an incident has collected sufficient information about a breach of health and safety law to provide a realistic prospect of conviction and when it is in the public interest to prosecute. I cannot comment on the hotel example that he gave—I obviously do not know the details—although I am pleased that he took the case up

with the HSE. I note that he was not satisfied with the response he received, and if he wanted to take that matter further, I am sure my fellow Minister of State at the Department—he is in Committee at the moment, debating the Welfare Reform Bill—would be pleased to hear from him.

I am grateful to the hon. Gentleman for raising the matter, but want simply to stress the Government's commitment to health and safety, to proportionate regulation and to ensuring that we go on maintaining high standards of health and safety in a cost-effective way. That is our goal. We have set up a review, to be chaired by Professor Ragnar Löfstedt, to look for opportunities to consolidate, simplify and abolish regulations without, crucially, putting people at risk. Protecting people in the workplace and society as a whole remains a key priority for the Government. We have found that there have been too many inspections of relatively low-risk and well-performing workplaces, frequent poor advice to business from badly qualified consultants—we want to deal with that—and a complex structure of regulation. Changing that is the goal for which we have set out our strategy. I hope that that is helpful.

Let me deal now with the points raised by my hon. Friend the Member for Congleton (Fiona Bruce). She made an important point about the position of people who are being made redundant and the particular problems faced by professionals. Her constituency has a relatively high proportion of professionals, including those who are, unfortunately, experiencing unemployment. She is right to say that unemployed professionals face particular challenges, although I would say that they have particular advantages, too. The evidence shows that almost by definition they tend to be more experienced and qualified, they tend to have their own networks to look for work and, on the whole, they tend to be more successful than non-professionals at finding work more rapidly. They also tend to make greater use of private sector recruitment agencies other than Jobcentre Plus. That helps to explain why 63% of those claiming jobseeker's allowance in my hon. Friend's constituency come off it within three months, compared with the national average of 56%. In part, that reflects the higher proportion of professionals in her constituency.

My hon. Friend made some important points and I know that she has been in correspondence with the chief executive of Jobcentre Plus on this issue. We need to ensure that what we call the rapid response service is effective. She will be familiar with it: when we know that large-scale redundancies, such as those that she mentioned at Ideal Standard in her constituency, are coming down the track, we try, through the rapid response service, to get in there before people have lost their jobs rather than having them go through that. The aim of the service is to help people move quickly into new employment or self-employment, which she also mentioned, connecting people to jobs in the labour market, matching people facing redundancy to known job vacancies and helping people, where appropriate—I take her point about patronising schemes—with CVs and job-search skills.

My hon. Friend's point about sending people on box-ticking and patronising courses was important and I want to give her some reassurance that we should see an end to that kind of thing, certainly for those who are

[Steve Webb]

long-term unemployed and who go through the Work programme. Hitherto, people have been paid for these welfare-to-work schemes regardless of whether they were effective, but under the Work programme the remuneration for those who provide such services will be results based. If they pay to provide a useless scheme, it will come off their bottom line, not from the taxpayer, but if they send someone on the right course to help them retrain and acquire the right skills, they will be remunerated for helping somebody into a sustainable job. I think that the incentives structure in the new regime will be better.

Finally, my hon. Friend asked about volunteering, which is an important route back into work. We are implementing what we call volunteering desks in Jobcentre Plus offices, to allow charities such as the Prince's Trust to attract volunteers. In a big society way—I had to say that phrase at some point—we are keen for jobcentres to facilitate such opportunities. We value volunteering, and I hope that the kind of experience that her constituent had will not happen as much in the future as it has in the past.

The hon. Member for Blaenau Gwent (Nick Smith) described very clearly the situation in his constituency, including the number of people who are dependent on incapacity benefit. I understand that in his constituency, 5,110 people received IB in August 2010, which is a high proportion compared to the national average. Three quarters of those people had been on IB for five years or more.

That situation presents us with a challenge. I think that both the hon. Gentleman and I would describe ourselves as political progressives. The question is whether it is humane and progressive to say, "Well, you've been on IB for five years, there aren't many jobs round here, and you can't really move easily because the house prices are too low, so we'll just leave you on IB." That has been the problem for years. People just say, "It's all a bit difficult, we'll leave you on IB and we won't really have any contact with you." I do not think that that is humane or progressive.

The hon. Gentleman might be aware that the outgoing Labour Government planned to reassess people on IB. This project is therefore not an evil plot, but something that was planned by the previous Government. The work capability assessment that he criticised was introduced by the previous Government. In the run-up to the last election, the Department commissioned an internal review of the WCA, and we have acted on its conclusions. Perhaps more importantly, an independent review has been undertaken by Professor Harrington, who has suggested a list of things that need to change to make the WCA better. The Department has accepted every single one of his recommendations. The WCA will also be the most reviewed bit of the benefits system because, from memory, there is a statutory requirement to review it every year for five years. Professor Harrington has kindly agreed to play an ongoing role. I cannot commit him for five years, but he has certainly agreed to carry on for now. He has gone out, sat in on WCAs, talked to people and learned lessons from that. We will continue to refine the process in the light of his comments.

The hon. Gentleman referred to the piloting of these measures. We have been piloting migration from incapacity benefit in Burnley and Aberdeen, and are learning lessons from those pilots. Indeed, some of the figures that he quoted probably come from the pilots.

It is important to stress that because incapacity benefit stopped a few years ago, anybody who is reassessed on IB has, by definition, been on it for at least two and a half years. Therefore, anybody who is deemed capable of work, either in the work-related activity group or with jobseeker's allowance, will be eligible for the Work programme. The Work programme gives tailored support to individuals, as I said to my hon. Friend the Member for Congleton. It involves payment by results, so the people who provide such welfare-to-work services will not be paid if they do not get somebody into sustainable employment. They therefore have an incentive to meet the individual where they are, to respond if they have a particular health condition, as the hon. Gentleman said, and to see whether there are particular sorts of work that they can do.

The hon. Gentleman gave the example that someone with multiple sclerosis had been found fit for work. I was inclined to say, "And?" Clearly, some people with MS are not fit for work, and some people with MS are. The challenge is not to write people off because of a condition, but to meet them as individuals, assess their needs and potential, and identify work that they can do or support them if they cannot work. There will be long-term receipt on the support rate, as appropriate. If people can work, welfare-to-work providers will be paid by results to help them. Nobody will be sanctioned for turning down a job that is not there. Nobody will be told, "We're cutting off your benefit, because you didn't take a job," if there are no jobs there. However, where there are jobs, people will be expected to make reasonable efforts to take them, with the right support. That is the strategy that we are adopting, and I believe that it is more humane than simply leaving people on long-term IB receipt.

Finally, my hon. Friend the Member for Loughborough (Nicky Morgan) raised a number of issues to do with the Child Support Agency, with which I think every Member will have had considerable dealings. Some of us have had CSA cases for a long time. One reason for the reforms is that we feel that the old CSA system and the so-called new CSA system have not worked. She cited the figure of 40p per £1 of maintenance collected, which is nonsense.

I absolutely agree with my hon. Friend about the need for strong enforcement powers. There are already pretty strong powers in the system, although I cannot comment on why they have perhaps not been used as they might have been in individual cases. There are serious sanctions available, including direct deduction from earnings, and we want them to be used appropriately.

My hon. Friend was right to make the point about seeing child support in its wider context, and the Department is certainly committed to doing that. We want to ensure that when people break up, there is not an assumption that they should go to the CSA. To paraphrase what she said in the words that someone once used to me, the CSA is seldom part of the healing process. If we can encourage people to seek some sort of mutual agreement at the point of break-up, and provide them with calculations if they need them, that will be a better strategy.

I absolutely take my hon. Friend's point that when relationships have broken down and there are long-standing cases, the situation will be more difficult. However, I can offer her a word of reassurance. Under our current proposals, an application charge is planned only for initial application to the system, not for reassessment. The cases that she mentioned would hopefully not face such a charge. I believe that the Under-Secretary, my hon. Friend the Member for Basingstoke (Maria Miller), is going to meet her to discuss some individual cases, and I hope that she will be able to respond in more detail.

I assure the House that we want a system in which, when relationships unfortunately break down, there are incentives and encouragement to form an agreement. The CSA will then be able to act on behalf of children and families when enforcement is needed. We hope that it will take firm and effective action to ensure that children and families get the support that they deserve. We look forward to the ongoing contribution of my hon. Friend the Member for Loughborough to our consultations on the issue.

Mr Deputy Speaker (Mr Lindsay Hoyle): We now move on to the general debate. Many Members are listed to take part, and a time limit of six minutes has been set. I plan to call the Deputy Leader of the House at about 7.44 pm.

GENERAL MATTERS

5.42 pm

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): I thank the Backbench Business Committee for giving us the opportunity to raise matters before the Easter recess in the same style as we have previously. I wish to use this opportunity to raise a continuing and growing concern about the impact of the Budget on my constituency and on major investment in the UK economy.

I must first declare my entry in the Register of Members' Financial Interests as a shareholder in Shell, and my wider interests in the oil and gas industry, but my particular reason for speaking is the interests of my constituency and constituents in the future of that industry and the many jobs that it provides in the north-east of Scotland and throughout the Scottish and UK economy.

I am motivated in many ways by the memories of what has happened before to the north-east of Scotland when there has been a downturn in investment—the rows of “For Sale” signs, people handing in the keys to their houses, the repossession and the loss to the local economy of a major industry. It is vital that the Government understand and recognise the contribution of that industry.

In what was called a Budget for growth, which was otherwise well balanced and effective, it is depressing that so much risk should have been taken with one of the current success stories of the economy. The industry is not just a local interest, it is a national one. One third of industrial investment comes from the work of the oil and gas industry in the North sea and on our continental shelf. It is a major contributor of tax revenues to the Exchequer and a major contributor to our balance of payments and our energy security.

A matter of growing interest has been the export market that has grown up on the back of the expertise built up in the North sea. That market requires a viable and effective home base. The Government seem to have

failed to understand the costly environment in the North sea at the moment, and the area's maturity. There are much smaller finds and much higher costs and risks to investment. It is therefore a very dangerous time to suddenly alter the tax regime. Also, the Chancellor prayed in aid the price of oil, but many of the investors in the North sea are smaller, new entrants, who have already hedged their sales for this year and are not receiving anything like the price that the open market would provide. It has yet to be explained why the Chancellor did not tax the hedge funds rather than those doing the legwork at the coal face.

The Chancellor talked about decisions made last June, when he was promising not to interfere with the tax regime, and the movement of oil prices since then. Someone who makes a 20-year investment is not interested in a six-month cycle, but in all the peaks and troughs. Recently, the industry had to survive a fall to \$35 a barrel and still be able to invest.

The other crucial point that has been missed is that some of the older fields will now pay 81% tax on their profits, yet they are the vital hubs that ensure that we exploit the minor, smaller fields that are still available. The infill—the new fields—will keep the larger, older platforms and pipework going to enable us to exploit the North sea. If there is a hiatus in that investment and those fields are decommissioned, whole areas of the North sea will be left barren and the oil and gas will never be recovered.

There is quite a worry not only about the actual tax, but the way in which it was handled. So many reassurances that there would not be a tax change were followed by a sudden tax change. As one industry insider said to me, “It's worse than Brown because at least he didn't promise not to do it, when he was in government and did the same thing.” A promise not to do it followed by doing it is much more damaging to the investment climate. The Government will have to work hard to undo that loss of confidence by the investor community.

Even if, in the long run, quite a few projects still stack up, there is a major hiatus when they have to be put on hold and reappraised, and investors in other parts of the world are saying to their local manager, “What's the bottom line? Is it still worth going ahead?” That affects the whole supply chain. I was chatting to one manager in the supply chain who said that he had to put his graduate recruitment round on hold because he does not know whether his clients will go ahead with their project. That disruption to management and to activity is most damaging at such an important time, when the industry was one of the few success stories in our economy.

The Government must restore confidence. I welcomed their agreement to an emergency meeting of PILOT, the industry-Government taskforce, during which the Government undertook to try to restore confidence in the stability of the regime. The Government have floated the idea of field allowances to deal with individual problems. I hope that they realise the number of civil servants that they will have to recruit to manage the North sea on a case-by-case basis so that they can make real-time judgments on the new tax allowances that they are promising.

The Chancellor prayed in aid the price of oil when the price of gas is well below his \$75 trigger. Gas is not a global commodity in the same way, and there is therefore

[Sir Robert Smith]

a risk that he is putting up the cost of consumers' gas supplies while taxing profits on an industry that has not got the same upside of a high commodity price.

The Energy and Climate Change Committee also has a wider concern about investment in new electricity generation, because £200 billion is required and people need the security of knowing that that investment will not be taxed after it is made.

The Chancellor is right to say that it is our oil, but we need experts to invest in getting it out of the ground. Without that investment, we earn no taxes, gain no jobs, and get no balance of payments help or energy security. The Chancellor must not undermine our energy security and he must restore stability.

5.48 pm

Bridget Phillipson (Houghton and Sunderland South) (Lab): I am grateful to the Backbench Business Committee for the opportunity to speak today on the importance of local bus services, which are of continuing concern to my constituents.

Good local bus services are vital to the local economy, the national economy and hard-working people throughout the country. The Transport Committee's recent report recognised the importance of effective transport. It stated that

"supporting sustainable economic growth should be the overriding objective for the Department for Transport".

However, that is nothing new. In 2006, the Eddington transport study, which the Labour Government commissioned, concluded that an efficient transport system is vital for a healthy economy. Sir Rod Eddington's report recognised that people's ability to travel to work, for work or to find work is crucial to drive the growth that our economy needs.

The Secretary of State for Work and Pensions recently advised the unemployed that they should get on a bus to find work. In my constituency, that would be pretty difficult. That is the fatal flaw in his plan—local bus services outside London need considerable improvement, particularly the network in my constituency.

I grew up in the local area, and I still frequently use local buses, so I know both the best and the worst of our local bus network. During my campaign and since entering the House, I have continued to receive regular concerns from constituents about the local bus service, and I decided to investigate by launching a constituency-wide campaign called the "Big Bus Survey". Constituents can either complete an online survey or return a postcard. I have already received hundreds of responses, and they continue to come in.

From the initial responses, it is clear that the people of Houghton and Sunderland South want lower bus fares and a more frequent service. There is also the obvious frustration that bus operators can change routes or pull services with minimal notice or consultation. Local people feel that they do not have a voice and that they cannot influence those decisions.

Some of the comments I have received are particularly revealing. One constituent said:

"I don't use buses at all for one reason—they are far too expensive and it is cheaper and safer by car."

One who has young children said that she wants

"better family deals and access",

which was echoed by many other parents. A large number of respondents said that they wanted an improved and direct service so that they can get to the local hospital.

The replies to the survey so far coincide with the bus watchdog—Passenger Focus—research on what bus users want from their local bus service. Recent results show a reduction in satisfaction with the overall level of service, and a reduction in satisfaction with reliability. Additionally, research by Bus Users UK says that 32% of commuters want a considerable improvement in the bus service.

One particular concern for many of my constituents is bus fares. As I have said, my survey so far shows that the majority of people want lower fares. With the price of diesel at an all-time high, and bus companies increasingly pressurised to pass on those costs to commuters, I am concerned about the affordability of buses, given that high bus fares are clearly already an issue.

High bus fares hit all sectors of our society, but particularly students and those seeking work. That is why education maintenance allowance helped with the cost of getting to college. The Association of Colleges has identified that 75% of its member colleges said that the majority of their students get to school by bus. It also found that 94% of its members believe that students will find it harder to attend without EMA because of bus fares.

For older residents, bus services are a lifeline. Older people are among those who most depend on buses, for example, to access the general practitioner's surgery or the hospital. They often have no alternative means of transport.

It is clear that not tackling that problem will have serious and lasting effects, not only for our economy, but for future generations. High Speed 2 is getting considerable attention both inside and outside the House, but my constituents are more concerned with ensuring that we have an affordable and accessible local bus network, which is crucial in my area in the absence of rail or a light rail network.

If we are to create jobs and drive growth, we need to ensure that we have bus services and the capacity to encourage businesses to invest and to grow. Our constituents also deserve a bus network over which they feel they have a say, and one that responds to their needs and is accessible to all. Those do not strike me as unreasonable demands, and local people deserve better.

5.53 pm

Andrew Selous (South West Bedfordshire) (Con): I should like to make a few brief remarks about the importance of marriage and family policy.

My constituents, George and Dot Kemp, celebrated their diamond wedding in December 2010, and they were good enough to share with the local paper, the *Dunstable Gazette*, their secret for a long and happy marriage. George said as follows:

"The secret to a long and happy marriage can be summed up in six words... The magic words are, 'I love you,' and, 'yes, my dear!'" That is a good tip, and good advice perhaps for those of us who aspire to reach George and Dot's record of 60 years together.

That is a very happy story, and one that I am pleased to share with the House, but when politicians look at what is happening to family life in our country, we see a much more alarming picture. Only last week, the Office for National Statistics released figures showing the lowest number of marriages in England and Wales since 1895—there were 231,000 marriages in 2009, compared with a peak of 426,000 in 1972. It would be tempting to ask, “Why does this matter? What concern is it of ours as politicians?” I agree that it is wrong for politicians to lecture people, and even worse for them to preach or moralise, but we have a duty to look at what is happening across our constituencies, and to consider its impact on our society.

We know, for example, that if a child's parents separate, that child is twice as likely to grow up in poverty as a child whose parents stay together—very relevant on a day when the Government have brought out their child poverty strategy. A child has a 36% chance of growing up in poverty if their parents separate, and only an 18% chance if they stay together. Those statistics are from the Government's own figures in the “Households Below Average Income” series. We know, however, that marriage is not out of fashion among young people. Survey evidence suggests that more than 90% of young people want to get married eventually—once they are debt-free, can get a home of their own and have sorted out their education—and I know, because I survey them regularly, that 18-year-olds in my constituency are concerned about this issue. More than seven out of 10 tell me that they believe that family breakdown is a big problem in the UK and that they want more done about it.

Whether we are concerned about the effect on constituents' lives or the impact on society, we should also be concerned about the financial costs to the country. Estimates vary, but the Secretary of State for Work and Pensions has estimated that every year we pay in taxes between £20 billion and £40 billion to pick up the pieces when, sadly, couples separate. What can we do to improve this dire situation? A leading family judge, Mr Justice Coleridge—he should know about this, because he is at the coal face in the family courts—said in 2009 at a Relationships Foundation conference:

“We are experiencing a period of family meltdown whose effects will be as catastrophic as the meltdown of the ice caps... It will be more destructive than any economic decline caused by international market or financial movements triggered by mismanagement by financial institutions.”

On the plus side, in showing how things can be different when families stay together, Lord Sacks, the Chief Rabbi, said in another place:

“Children lucky enough to be born into strong families are advantaged in almost every area for the rest of their lives: school attendance, educational achievement, getting and keeping a job. They will earn more. They will be healthier. They will be more likely to form strong families of their own. Children who do not have that good fortune will be disadvantaged for the rest of their lives.”—[Official Report, House of Lords, 10 February 2011; Vol. 725, c. 366.]

We can do a number of things about this situation. We have taken steps to deal with the couple penalty. The right hon. Member for Birkenhead (Mr Field), who is in his place, raised this matter very well in a recent “Panorama” programme entitled, “Britain's Missing Dads”. It featured young couples who had been together until the birth of their first child, at which point they suddenly stopped living together. When asked why, they made it clear that

the loss of about £30 a week was the key factor in driving them apart. That is not a sensible way to design a welfare system, so I am pleased that the moves we are making in universal credit will do something about that. That is a positive start. It is also absolutely right that the Government do more to give our constituents the skills and support necessary to make a success of their family relationships. The Government have committed £7.5 million a year over the next four years to roll out courses such as the “Let's Stick Together” programme pioneered by the Bristol Community Family Trust. That is welcome indeed. We need more of that type of initiative.

5.59 pm

Eric Joyce (Falkirk) (Lab): Yesterday's centrefold in *The Guardian*—if I may call it that, although the term centrefold has been expropriated by a different publication—had a good picture of two artisanal miners in the Democratic Republic of the Congo scraping away in what was basically a big hole. They do 24-hour shifts and get paid very little. The picture emphasised how rudimentary mining is in the DRC. Mining is something that could generate enormous wealth in the Congo, but it invariably does not, because the market is very difficult.

I want to mention a different expropriation today—one that should give us all pause. I want also to emphasise the extractive industry's transparency initiative and the Dodd-Frank legislation in the US. As is increasingly accepted on both sides of the House, these are examples of good practice that can help businesses to operate properly in Africa, helping Africans themselves and delivering mutual benefit from the good trade that City companies do. As has been made clear in *The Times* Africa CEO conference in the past couple of weeks, the City of London is one of the country's great strengths. Right now there are new and important opportunities for investment in Africa. Companies listed in this country can contribute more to Africa's development than aid ever could. Aid is extremely important, but ultimately, the only way out of poverty for those countries is through proper investment.

We expect our senior executives to put their figures and their shareholders first, and yet there is a tipping point. Where a company prospers by doing business in Africa, we expect Africans to acquire some benefit—through proper taxation payment and, for example, jobs. Pretty much all the executives whom I have spoken to agree with that; indeed, that was very much the positive attitude on parade at *The Times* conference. However, where a corporation ignores the principles of mutual benefit, that can do enormous damage to the prospects of investment in Africa. The bad reputation that a company acquires can shake the confidence of other investors. I want to say a few words, therefore, about a particular example of a large and would-be successful corporation wrecking its reputation and integrity by entering into rope deals with, frankly, shady middlemen—the Eurasian Natural Resources Corporation, a FTSE 100 company.

The centrefold in *The Guardian* referred to the DRC Government apparently raising only \$13 million in tax from mining licences in the last financial year. Before that, however, they raised \$55 million per annum from one company alone—First Quantum, the country's largest taxpayer. Last year, however, the DRC Government essentially expropriated the assets of First Quantum for

[Eric Joyce]

reasons that looked extremely dubious indeed. First Quantum had invested \$700 million in a mine in Kolwezi which was generating thousands of jobs, and it was the largest taxpayer in the DRC. For good reasons—again, having looked at the mining and licensing contracts—I have no doubt that that was the right thing to do. However, one or two contracts were cancelled for reasons that we should be more aware of.

Inefficient artisanal mining raises small amounts of money compared with the enormous investment that First Quantum had made. In essence, First Quantum had its assets expropriated, which were then sold on to a middleman—a man called Dan Gertler, whose only business qualification as far as I can see is that he is a close personal friend of the President of the DRC. Having bought those assets for a song, Mr Gertler put them on the market and within a few months a FTSE 100-listed London company bought them for \$175 million. Not one whit of that enormous benefit to him—and perhaps others: it is very hard to tell, because there was no transparency in the deal—would have gone to the people of the DRC. It was an absolute and utter shocker.

What of ENRC, the buyer? Lots of companies said, “We’re not touching this with a bargepole—it completely stinks,” but ENRC was absolutely up for it. ENRC is ostensibly a successful FTSE 100 corporation, but it is underperforming on the stock market, in spite of the wealth of assets. It should be striding away from its competitors, but its deal in the Congo has left it without a CEO, its reputation trashed and its major investors, including the Kazakhstani Government, wanting out, and it has now become a possible takeover target. There is a lesson there for all to see. Perhaps it is time that ENRC grew up or just passed over its assets to somebody else who can manage them better.

However, there is one other lesson: that non-executives should be careful that they are not simply used as patsies for puppet masters of questionable integrity. ENRC’s board is primarily Kazakhstani—I have no quibble with the Kazakhstani Government; I think that they are pretty nervous about the whole thing too—but there are also three well-known UK business men on the board. They are Sir Paul Judge, Ken Olisa and Sir Richard Sykes. Ken Olisa wrote a letter to the *Financial Times* last week that was comical in its naivety. He has clearly been put up as a front man, but he made a complete fool of himself by complaining about the Lombard column’s criticism of ENRC. Essentially, however, the point man from the UK perspective is Sir Richard Sykes. He has had a pretty sound reputation in the past. He ran a large multinational, and he is used as the man who calms the markets. This whole business has done his reputation immeasurable harm, however. People in the City are aware of that fact, and I hope that people on both sides of the House will be aware of it, now that I have raised the matter.

I hope that the Minister will be able to comment on this point. Does he agree that all this could be avoided if there were more transparency in such deals? The Government are moving towards that, which is welcome, but none of these things would take place if we had legislation like the Dodd-Frank Act in the UK.

6.5 pm

Mr David Amess (Southend West) (Con): I wish to raise a number of points before the House adjourns for the Easter recess. Proposed changes to legislation will come into effect on 1 May relating to herbal medicines and vitamin and mineral supplements. Those changes will have a major impact on the Annandale homeopathic and allergy clinic in Westcliff-on-Sea, Essex. Varying strengths of such supplements have always been available for purchase, but my constituents understand that under the proposed European Union regulations the strengths of vitamin and mineral supplements available will be standardised. The standardised levels will be too low, and the ability to prescribe and retail such supplements to patients will consequently be adversely affected. I would be grateful if the appropriate Minister could write to me about that matter.

Another constituent has contacted me about an e-mail that he received from the Lottery House which claimed that he had won £1 million on the lottery in the Netherlands. He was sent numerous fraudulent letters asking him to pay money into various foreign accounts in order to access his lottery winnings, and he has spent thousands of pounds trying to access that money. This is not an isolated incident, and I would be grateful if the appropriate Minister could look into this type of fraud, which is pretty rife at the moment.

Mr Rod Godfrey, of 153 Hadleigh road, Leigh-on-Sea, has recently visited me at my surgery to discuss a serious problem with the tax code that he has been given by Her Majesty’s Revenue and Customs. Mr Godfrey pays his tax through PAYE, as he has always done, through a tax code issued to Tower Hamlets by HMRC. He has now been advised that he has underpaid by a substantial amount of money. It is completely unreasonable that my constituent should be expected to pay such a large sum of money, given that it is the fault of HMRC and not that of Mr Godfrey. Again, I would be grateful if the appropriate Minister could comment on that.

My next comments are not directed at any Members present today, but I am increasingly fed up that the West Lothian question has not been addressed. It is completely unfair that Scottish, Welsh and Northern Irish Members have two votes and that we poor English Members have only one. I hope that that matter will be addressed during the course of this Parliament.

I am also concerned about the oppression of 3,400 members of the People’s Mujahedin of Iran, including 1,000 women in Camp Ashraf in Iraq. Those residing in the camp have undergone psychological torture and serious medical restrictions. Already, 208 Members have signed an early-day motion calling for the Government to provide the necessary protection for the residents of Camp Ashraf. Yesterday, in Committee Room 14, a couple of US Senators addressed a very well-attended meeting, and I hope that the Foreign Secretary will raise this issue with his American counterpart.

Religious freedoms are under threat across the world. Recent issues of significant concern include high-profile assassinations of public figures who have attacked Pakistan’s blasphemy laws, the arrest and detention of dozens of Christians in Iran, and the assassination of a Muslim cleric and attacks on Christians in Nigeria. There is no simple solution to the situation in Pakistan. There is

clearly a need for proper international discussion on blasphemy laws. Again, I hope that the appropriate Minister will be able to address this point.

I am increasingly uncomfortable about the way in which the Equitable Life issue was dealt with during the Committee stage of the Equitable Life (Payments) Bill. I remain concerned about the situation of with-profit annuitants who took out policies before the September 1992 cut-off date. About 10,000 elderly people have now been excluded from the compensation scheme and are set to lose thousands, possibly hundreds of thousands, of pounds. Those people were "locked in" and suffered the same maladministration as the other policyholders, who will be paid 100% compensation. I had certainly not appreciated in Committee that those people would be excluded. I know that the Treasury team are working extremely hard to try to balance the books, given the terrible legacy that we were left, but I must tell the Deputy Leader of the House that I am worried about the promises that were made before the general election. Some of my elderly constituents feel that we have not honoured them.

To end on a brighter note, I am delighted to say that the Better Southend project, involving four major regeneration works at Cuckoo corner, Progress road, Victoria circus and City beach, has, thanks to our excellent Conservative-controlled council, been completed on time at the end of March. I ask local residents to judge those schemes on how they work out in practice.

I am also delighted to say that any number of international teams visiting Southend at the moment can consider using the town as a training base for their international athletes. The latest to arrive are the Malaysians, so it is all happening in Southend. We hope that these international teams are successful and, above all, that British athletes will enjoy great success in the 2012 games. Of course, we all wish the happy royal couple every success in the royal wedding on 29 April.

6.11 pm

Paul Flynn (Newport West) (Lab): The swine flu pandemic that never was is an extraordinary story of bad science, fortunes made, public money wasted and fear-mongering on a mass scale. It started in May 2009 when a new branch of flu was detected in Mexico. The epidemiology then and now is still the same—that this flu was very mild. It killed about one in every 10,000 who had it.

On the World Health Organisation website in May 2009, the definition of a phase 6 pandemic—a crucial issue—was that the flu had to be likely to cause "a terrible number" of deaths and serious injuries. In the next month, that definition was changed to take the severity of the flu out of the definition; it was described as a flu that was being experienced in more than two WHO areas. In June 2009, however, Margaret Chan declared a phase 6 pandemic. The world press turned up and asked what a phase 6 pandemic was and whether there was a phase 6.5 or a phase 7 pandemic. She said, "No, this is the most severe pandemic—the top one." Understandably, the world press went into hysteria mode and announced that this was as bad as the 1918 flu that killed between 25 million and 40 million people.

There was never any possibility that it was going to turn out like that. In this country, Liam Donaldson said that the likelihood was that deaths would be between

3,000 and 750,000. The average we should expect, he said, was 65,000 deaths. The WHO said that we should expect between 2 million and 7 million deaths in the world. In the event, there were 18,000 deaths. In Britain, there were 447 deaths of people with swine flu, but fewer than 150 died of swine flu. It is, of course, a tragedy for all the individuals involved, but this was nothing compared to the normal seasonal flu we have almost every year, when 10,000 and sometimes 20,000 people die.

The World Health Organisation has been challenged since and there have been a number of inquiries. In this country, we had an inquiry by Deirdre Hine, but I am afraid that it was premature. It did not come up with the right answers because it did not ask the right questions. There is a far better inquiry, just published, by the European People's Party group in the European Parliament. Its main conclusion is that next time, the severity of the flu must be a feature in any warnings given. It is extraordinary that in calling this a phase 6 pandemic, no judgment was made about the severity of the disease.

What was the cost to this country? We spent £1.2 billion and we suffered greatly from anxiety and fear. That was particularly the case for parents of young children, who were told that there would be 65,000 deaths. The health service was disrupted for nearly a year. All its priorities were changed, and vital services were neglected so that the necessary preparations could be made. Heaven knows what the cost was of the closure of all the schools, for instance. All that was unnecessary, and we must now consider what we can do about it. It is difficult to blame the national Governments, because they would be damned if they did and damned if they didn't, but can we say that spending more than £1 billion in Britain had a good result? Can we say that more people would have died if we had not spent that money? In fact, the reverse is true.

A splendid example is provided by Ewa Kopacz, who was the Polish Health Minister at the time. In November 2009, she made a very brave speech saying that the Polish Government would not buy vaccines and antiviral medicines because she did not believe that H1N1 flu posed any serious threat. In Britain, having spent £1 billion, we lost 7.4 people per million of the population; Poland, having spent about 7 zlotys, ended up with 4.7 deaths per million. In other words, Poland spent virtually nothing, and suffered half the number of deaths per million that we suffered. There is a lesson to be learnt from that. As I said earlier, I do not blame the national Governments, because they were in a very difficult position. They had the advice of the World Health Organisation, which is a body that we should respect, because we need a body that is above the national melee and national interests. Can we blame the World Health Organisation? We certainly can.

I have been to Geneva on a number of occasions. Incidentally, my general election result was greatly improved by the fact that I was there at the time. Because of the ash cloud I had to stay there for five days, which, according to my constituency workers, helped to ensure that the swing against the Labour party was one of the lowest in Wales, and to secure my re-election. Absence is a great factor. However, although we have heard reports from various organisations throughout the world, we must face the fact that the problem lay not with

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national Governments but with the World Health Organisation. The decision was taken by an emergency committee with 15 members—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. The hon. Gentleman's time is up.

6.17 pm

Neil Parish (Tiverton and Honiton) (Con): I welcome the opportunity to contribute, and I thank the hon. Member for North East Derbyshire (Natascha Engel), who chairs the Backbench Business Committee.

Let me begin by endorsing what was said by the hon. Member for Southend West (Mr Amess) about the West Lothian question. It is time that that was sorted out, because too many votes are being cast twice by Labour and Scottish National party Members. I also want to take a leaf out of the hon. Gentleman's book when it comes to dealing with constituents who are dealing with real problems. I am thinking primarily of our brave troops in Afghanistan, both men and women, and the great sacrifices that they are making.

One such trooper, Lyndon Chatting-Walters, of 23 Engineer Regiment, is now 20 years old. On 19 July 2008, while serving in our armed forces in Afghanistan, he was blown up in an explosion. He suffered shrapnel injuries to his face, groin, legs and both arms, broken teeth, a damaged arm, jaw and ankle, and muscle and tendon injuries. He has also experienced constant trouble with his back, and will be susceptible to arthritis and rheumatism for the rest of his life.

That young guy was taken to Selly Oak hospital in Birmingham, which patched him up and did everything that it could for him. However, even while experiencing great pain and suffering, he was determined to return to Afghanistan. He went back in autumn and served for a couple of months, but the pain from the injuries that he sustained in 2008 was so bad that he was invalided back to the United Kingdom just after Christmas last year. He is still waiting for appointments to see doctors so that the nature of all his injuries can be clarified, and he is still seeking proper compensation from our armed forces Ministers. I have written to them, and recently wrote again to the Secretary of State for Defence. I know it is not directly his responsibility, but this young man has given his all for his country, and I really do feel that he has been treated shabbily. I do not know whether the fault for that lies with our bureaucracy or elsewhere, but I appeal in the strongest terms for us to do something for that young man, because he has given his all, and given his future as well, and he must be adequately looked after and adequately compensated.

My next case concerns Ukraine. A constituent of mine, Mr Barry Pring, joined a dating agency in 2007, met a Ukrainian woman online and later married her. To cut a long story short, tragically, a year later Mr Pring was run over in a very suspicious car accident 28 km outside Kiev. An investigation is being carried out into whether—I think I can say this under parliamentary privilege—his wife was responsible for his death. Immediately after his death, she came to Britain and started trying to get hold of all his assets, and he was a reasonably wealthy man. I have written to Ministers to

try to find out what exactly we can do. Of course, I understand the issue of the sovereign powers of Ukraine, but this case is not being investigated properly by the Ukrainian authorities. Every time we try to get a proper investigation, that is blocked. There is no doubt that there are problems within the police authorities in Ukraine. We have dealt with our own police and with Interpol, and I appeal to Ministers to do much more to make sure that a proper investigation into the death of my constituent is carried out, so that his family can know what happened to him and can put the whole matter to rest.

The final case is about a problem that dates back to long before I became a Member of Parliament. It concerns Terence and Wendy Hart. When Mr Hart's wife was taken ill in 2006, he had problems with the Axminster medical practice, and there was an encounter between him and the practice doctors. Mr Hart was very emotional at the time and was accused of being abusive, but he has always denied that. We have taken that case to the health service ombudsman, and we have been down all the other bureaucratic routes. I have contacted Ministers about it too, yet we still cannot get this case settled. I again appeal to Ministers about it.

6.23 pm

Mr Gareth Thomas (Harrow West) (Lab/Co-op): It is a pleasure to follow the hon. Member for Tiverton and Honiton (Neil Parish). I echo his tribute to our brave troops in Afghanistan, and in particular I wish him well in his efforts to secure better support for the trooper whose case he brought to the attention of the House, and who has made a huge sacrifice for our country.

I rise to raise two issues. First, I want to ask a series of questions on the Government's view of the human rights situation in Sri Lanka and, through them, to ask a series of questions of the Sri Lankan Government. I understand that the UN Secretary-General is due to receive a report on 13 April produced by a three-member panel that has been mandated to advise him on options for addressing accountability for crimes committed during the final stages of the recent conflict, with which all who have an interest in Sri Lanka will be familiar. I ask whether that document will be published, and if not—or, indeed, if we are unsure whether it will be published—I ask the British Government to call on the UN Secretary-General to publish it.

Furthermore, will the Government urge the lifting of the prevention of terrorism Act in Sri Lanka? The UN urged this as long ago as 2000. Will they urge the Sri Lankan Government to release those who have been arrested, unless they are charged with criminal offences and remanded in custody by a civilian court? Will the Government urge the Sri Lankan Government to adhere to a 2006 presidential directive by registering detainees, informing their families and the Sri Lankan human rights commission of the place of their arrest and detention? Lastly, will our Government urge the Government of Sri Lanka to allow the Red Cross full access to the prisons where those still detained after the conflict are held?

In January and February, two of the world's most respected human rights groups, Amnesty International and Minority Rights Group International, raised, in separate reports, a series of concerns about the human, social and economic rights of minority communities in Sri Lanka. MRGI argued that nearly two years after the

end of the war between the LTTE—the Liberation Tigers of Tamil Eelam—and the Government, minorities face daily repression, and are marginalised in development policies and in politics in Sri Lanka. The MRGI's report documents cases of land in the north and east of Sri Lanka being seized by military and civilian authorities and used for the construction of everything from military encampments to hotels and leisure facilities. The report notes that international and national media and non-governmental organisations still have restricted access, and that there is a high level of militarisation and state control over freedom of movement and association.

Amnesty's report goes further. It believes that there are credible allegations that both Government security forces and the LTTE committed serious violations of international humanitarian and human rights law throughout their conflict, particularly in the final months, including summary executions, torture, attacks on civilians and other war crimes. The Sri Lankan Government have established a domestic "lessons learned and reconciliation commission", but most international observers have argued that the gravity of the accusations is such that a truly independent international investigation is necessary to address these issues fully and ensure accountability. That is why the UN Secretary-General established a three-member panel to advise him on options and why we need to have those recommendations publicised and made clear.

A longer-term problem in Sri Lanka has helped to drive what appears, at least, to be a culture of impunity and tolerance of breaches of human rights. The country has been under an almost continuous state of emergency since the early 1970s and, as Amnesty has made clear, successive Governments have used national security as the reason to bring in a series of broad and complex emergency regulations. If we look at the history of Sri Lanka, it is obvious that security has been a real concern, but let me be clear that the scale on which these emergency regulations have been used raises concerns. They have, at times, been used against critics of the Government from within the majority Sinhala community, as well as against those within the Tamil and Muslim communities. That is why I ask whether our Government will continue to press the Sri Lankan Government to lift the prevention of terrorism Act and to press for the Sri Lankan human rights commission and relatives to be informed when someone has been arrested.

The second issue that I wish to raise today is very different, although it is of equal, if not more, concern to all my constituents. I am talking about the future of the three polyclinics that serve my constituency: the Alexandra Avenue centre, which was opened by Lord Darzi; the Pinn medical centre in Pinner; and the urgent care centre at Northwick Park hospital. They provide walk-in services from 8 am to 8 pm all year round and they are hugely popular with my constituents, but they are under threat of closure or restriction. I urge the Government to take the opportunity of the pause in consideration of the current NHS reforms to examine the future of the polyclinics in my constituency and to recognise the huge support that those have from my constituents.

6.29 pm

Paul Maynard (Blackpool North and Cleveleys) (Con): It is a pleasure to speak about the preservation of Britain's built civil nuclear heritage, but I understand

that the topic might at first seem rather obscure, if not obtuse, to many Members, and the timing peculiar. First, I must declare an interest as a member of the Twentieth Century Society, which campaigns to preserve examples of built heritage and modern architecture for future generations. I am not here to debate the merits or demerits of nuclear power—I am sure we will have plenty of debates on that in the months and years to come—but rather to draw the Government's attention to the fact that as the decommissioning process for nuclear power stations begins, those buildings come to the end of their industrial usage and we have to consider whether we wish to preserve them for future generations.

There might be arguments about whether such buildings should be preserved. Those against nuclear power might wonder why anyone would wish to preserve a nuclear power station, but let me quote Tony Juniper of Friends of the Earth, who told *The Sunday Times* on 19 November 2006:

"We need to be reminded of the huge amounts of money they wasted and the radioactive legacy they left us. We should preserve these buildings as a monument to all that stupidity".

Equally, those of us who are more positive about nuclear energy and think it still has a role to play might think that we should celebrate and protect examples of our world-leading role in developing civil nuclear power. It is often forgotten that we were at the forefront of developing the use of nuclear power for civil means. Just as Ironbridge and the Pontcysyllte aqueduct are examples of Britain's greatness in the 17th and 18th centuries, Dounreay, Hinkley Point and Windscale, or Sellafield, are examples of our greatness in the 20th century. We need to retain that sense of heritage and it is vital that we debate what to do with them and understand their heritage value. They certainly have architectural value, but they also have a quite separate heritage value. As English Heritage's 2006 report on our atomic age made clear:

"Nuclear installations due to their size have also created distinctive late 20th-century landscapes...The power station sites are overshadowed by the large rectangular architectural blocks of the reactor buildings and turbine halls which in turn dominate their usually low-lying coastal locations and often provide focal points in the landscape for many miles around".

My experience, from living on the coast in Blackpool, is of walking out of my front door and being able to see the rectangular block of Heysham power station shining from 20 or 30 miles away across Morecambe bay. It is a major landmark in the local area. It does not quite compete with Blackpool tower, but it is certainly always on the horizon. We have to realise that in those communities the role of nuclear power has been not just one of environmental concern or energy production, but one of building communities. Places such as Sellafield and Dounreay have been major providers of jobs, and communities have sprung up out of nowhere. Just as many Opposition Members fiercely defend the interests of coalfield communities and the heritage of mining that has gone on for many years, we should not lose sight of the importance of the communities who have contributed to building our nuclear industry.

That is why it is vital to take notice of the current consultation process being carried out by the Nuclear Decommissioning Authority. In September 2010, it announced its initial intention that

"none of our facilities will be preserved for national heritage".

[Paul Maynard]

On one level that is understandable, as one cannot divorce the heritage component of a nuclear power station for the obvious reason that it has a high degree of radiological risk associated with it. Take, for example, Trawsfynydd power station in north Wales, which was not listed, not because it had no architectural value—far from it, as it was designed by Sir Basil Spence, who designed Coventry cathedral—but because it was sitting on a toxic time bomb and the costs of preserving that toxic time bomb outweighed its architectural value. Conversely, Cadw, the Welsh heritage agency, has at least registered the equally notable garden by Dame Sylvia Crowe and the associated landscaping that surrounded the power station. That shows that we can preserve heritage not just by preserving something that is toxic or radiological but by understanding the wider heritage aspects.

That is why I welcome the fact that the Nuclear Decommissioning Authority has grudgingly conceded that a national nuclear archive will be established at Dounreay as part of its decommissioning process. I urge both Dounreay and the Nuclear Decommissioning Authority to consider fully what they mean by nuclear heritage and what they intend to retain in the archive. It must not merely hold photographs of the buildings, but provide an understanding of the lives of the people who built those power stations, made them a success and relied on them for their livelihoods. It is vital that the Department for Culture, Media and Sport has a coherent plan to protect them for future generations.

6.35 pm

Mr Frank Field (Birkenhead) (Lab): I wish to raise briefly the animal welfare issue that dare not speak its name—namely, the licensing of animal experiments. I do so mindful of what many of us have gained in the past and present, and will gain in future, from a number of those experiments, and of the fact that public opinion on what is proper for animal experiments changes. The House has reflected those changing views. At one time one would have stood here and talked about testing cosmetics on animals, but such testing is now forbidden. I want to discuss the regulatory role we assumed when we established the Animal Procedures Committee and question whether we are being complacent in assuming that everything is fine in that regulatory system. In so doing, I want to ask what further actions—new actions—we should take.

Last year, 3.6 million experiments were licensed in this country to be performed on animals. Only three of those licences were referred to the Animal Procedures Committee for consideration. The others were decided by Home Office civil servants. If we tally up the number of experiments on animals that the House has agreed to since the establishment of the current system in 1986, we get a total of 65 million. I want to contrast the care that the House took over possible cruelty in hunting with dogs with the care we have taken in our supervisory role for those 65 million experiments. The House spent 700 hours considering changing the law on hunting with dogs. We spent only seven hours committing our country to the war in Iraq. We did not spend one second on those 65 million experiments.

I want to question our sense of priority and that of animal charities. In doing so, I raise a central question about the attitude of mind and the training of those officers who had to decide, for example, to grant licences for the 3.6 million experiments that took place last year. We lay on them a duty to weigh up the pain those animals will suffer and the gains that we as a society could accrue from those experiments. Obviously the animals have no say in whether the pain is greater than the gain, but I think that we take it for granted that all those decisions by those officers are right and that the pain inflicted on the animals is less than what society gains.

In order to provoke a debate on the matter at some stage, I wonder what role the Deputy Leader of the House thinks the House should play. Should we spend the next 25 years never discussing the number of experiments on animals? What role might a Select Committee play, and what role should the animal charities play? Every time somebody writes to me about the latest thing that is happening to animals, I write back and say, "That's my view on the particular issue you've raised, but will you raise with the organisation that you belong to and support this issue of experiments on animals, which the House of Commons rarely debates and, in fact, is never raised with me or, probably, with other hon. Members by the animal charities themselves?"

Mel Stride (Central Devon) (Con): I am listening with very great interest to the right hon. Gentleman. He may be familiar with the memorial in Park lane to animals and their suffering in wartime, which has the inscription, "They had no choice". Is that an area which he believes might be looked at more closely, as well as the area of experimentation?

Mr Frank Field: I certainly do not want such a memorial; I want the memorial to be in this House, and in what we do about the numbers, questioning whether all those experiments are gainfully employed for the benefit of mankind, and what the animal charities themselves might do. Why has none of them written to me about the matter? Should they not raise, in coalition form, the political issue of the apparent lack of supervision that we give to the whole regulatory procedure? Might they also raise with the Home Office how we can be so sure that the gains that we accrue from those 3.6 million experiments last year will outweigh the pain that those animals felt?

6.41 pm

Jack Lopresti (Filton and Bradley Stoke) (Con): I, too, thank the Backbench Business Committee for the opportunity to contribute to the debate. I would very much like to focus on antisocial behaviour and the steady creep of a seemingly higher tolerance of it by our local agencies and local police authorities.

When I say that antisocial behaviour is increasingly tolerated, I do not mean that there has been a willing submission by our constituents. Hon. Members on both sides of the House will have seen examples from their own constituencies of harassment, racial abuse left unchecked, elderly and vulnerable constituents too terrified to leave their homes, and noise disturbances and large gatherings that are so frequent as to impact on the quality of people's lives.

One of my constituents, an elderly lady who lives alone, is being constantly and, I believe, systematically intimidated by a neighbour. She has come to me because she has been unable to enlist the help and support of her local housing society or, indeed, of the police. She feels that no one is taking her problems seriously, and the suggestion, "Well, you can always move," which believe it or not came from the police, was not particularly helpful.

One of the most serious cases that I have been asked to help with concerns a couple, living barely half a mile from me, who are being subjected to constant verbal homophobic abuse and intimidation. They decided to take their case to the authorities, but it took almost a year for them to receive a response that fully acknowledged all the problems that they faced. In the end, one of the perpetrators was arrested, but no further action was taken, and after yet another incident my constituent decided to confront the individuals responsible, which he did only in a measured and verbal fashion, but was then himself arrested by the police.

I hope that those terrible examples of how some of my constituents have suffered at the hands of aggressive, intimidating and destructive behaviour by others demonstrates to the House that the current methods of dealing with such issues are inadequate given the task that they face. I am reluctant to call those incidents antisocial behaviour; to me they are crimes and should be dealt with as such. I am, however, encouraged by the Government's proposals for and ambitions in tackling this serious problem, which runs through our communities.

The Minister with responsibility for crime prevention, the Under-Secretary of State for the Home Department, my hon. Friend the Member for Old Bexley and Sidcup (James Brokenshire) has recognised the slow and bureaucratic way in which complaints are dealt with, and that it sometimes results in

"months and months and months to obtain relief for communities that may be being very hard-pressed by the problems of anti-social behaviour."

In reacting to that problem, the Government recently announced community triggers, stating that

"if five people have made a complaint that's not been followed through, they're able to escalate it to the agencies that are supposed to be providing that response."

The goal must be that no case of intimidation or abuse goes unchecked, and we must rebuild the partnership between the police and the local community.

Most welcome is the report published last Tuesday by Baroness Newlove, the Government's champion for active safe communities, who has herself been the victim of a terrible crime—the murder of her husband outside their home. The Baroness puts it perfectly in her report:

"The public are on the frontline in suffering the effects of crime and antisocial behaviour but on the backline when it comes to decisions about how to deal with the problem."

I welcome several of the recommendations in her report, such as the community reward, whereby if information provided by the community leads to a conviction, the community is then given a reward to spend on crime prevention work; giving the public a single point of contact through the roll-out of the 101 number to report antisocial behaviour; and plans to enhance the street level crime maps scheme so people can use it to report crime and agencies can publish details of what action was taken against offenders.

With these new powers and initiatives for residents must be a greater accountability of the local police. That will become a reality with the Government's plans to replace police authorities with directly elected police and crime commissioners by May 2012. I agree with the Government that this will make the police

"more accountable to the public and responsive to local people, more focused at a national level and more effective at tackling crime, as well as providing better value for money".

On another local front of crime prevention and deterrence, I must raise an issue of considerable importance to my constituents and our surrounding area—the proposed move of our police helicopter. At present, the western counties air operations unit covers the counties of Bristol, Somerset and Gloucestershire. It is based less than three minutes' flying time from Bristol so that it can react to any serious crime in the city and the surrounding areas. Until the creation of the unit, the area suffered high levels of vehicle crime, vehicle pursuits and on-street crime such as ram raiding. The presence of the police helicopter within a few minutes has markedly reduced that level of crime. I have been supported in my campaign against the move by Councillor Brian Allinson, a former top-ranking police officer who was responsible for the introduction of the helicopter in the first place. I continue to be concerned by the proposed move of the aircraft away from Filton airfield to Wiltshire, as that will have a very serious effect on its ability to reach incidents in the local area in an acceptable time scale.

Finally on the problem of antisocial behaviour, I believe that the previous Government were far too soft on those who intimidate, disrupt and bring misery to the lives of others. I would like to share with the House a simple question that was put to me by a constituent: when did the law stop being on the side of good and decent people who work hard, play by the rules, and ask only for the right to live in peace and privacy?

6.47 pm

Mr Chuka Umunna (Streatham) (Lab): I should like to thank the Backbench Business Committee for giving me the opportunity to speak in this debate.

On 9 February, the Chancellor of the Exchequer came to the House and gave a statement on the Project Merlin agreement that was reached between the banks and the Government. He outlined what he described as the essentials of a "new settlement" with our major banks following the global financial crisis of 2008. He said that under the agreement the banks would lend more money, especially to small businesses, pay more taxes, pay less in bonuses, be more transparent about the bonuses they do pay, and make a greater contribution to our regional economy and society. If this is what the agreement achieves, it is of course most welcome, but my impression is that it falls far short of this because there are so many holes in the small print and it lacks teeth.

How confident can we be that the settlement will result in more lending to small and medium-sized enterprises? The Chancellor told us that under the agreement, Barclays, the Royal Bank of Scotland, Lloyds, HSBC and Santander had agreed to lend more money to SMEs. We were told that overall gross new lending to all businesses, large and small, would increase from £179 billion to £190 billion, and that these targets would be monitored by the Bank of England, which had "agreed to collect the relevant data and publish them quarterly."

[Mr Chuka Umunna]

The Chancellor said that to help to ensure that the agreement on lending is honoured,

"the pay of the chief executives of each bank...will be linked to their performance against...SME lending targets"—[*Official Report*, 9 February 2011; Vol. 523, c. 313.]

However, there are a number of problems with all this. The lending targets are gross, not net. As the Business Secretary said in the *Daily Mail* on 23 March last year, a gross lending target lets the banks "off the hook" because they can achieve a gross lending target while withdrawing capital from SMEs. The banks' statement on Merlin refers to a commitment to lend up to £190 billion "should sufficient demand arise", so it is quite feasible that they could argue that the demand had not arisen, which surely presents a get-out clause.

On the scope of the monitoring exercise to be carried out by the Bank of England, the Governor could not have been clearer when he appeared before the Treasury Committee, on which I sit, on 1 March. He said:

"We're not monitoring. What we are doing is putting up on our website the data that banks submit after a fairly cursory plausibility check. We are not auditing the data that are submitted".

Then there is the claim that CEO pay will be tied to performance against the lending targets. Again, when one reads the small print a different picture emerges. The banks' statement on Merlin simply says that whether lending targets are met will be given more weight in the performance metrics of the CEOs concerned, but Treasury officials appearing in front of the Treasury Committee on 29 March were unable to tell us how much weight would be given in the performance metrics of the CEO in each case. Furthermore, in a parliamentary answer on this point given to me by the Financial Secretary to the Treasury, I was told:

"The calibration of performance metrics of 'chief executive remuneration is a matter for each individual bank."—[*Official Report*, 1 March 2011; Vol. 524, c. 433W.]

On the tax take from the banking sector, I have given credit to the Government before for unilaterally implementing the bank levy—it is just a shame they set it at a low level, given that they are not renewing Labour's bank bonus tax. In his statement, the Chancellor claimed Labour's bank bonus tax raised £2.3 billion despite the fact that the independent Office for Budget Responsibility has clearly stated that it raised £3.5 billion. The *Financial Times* looked into that and said that the Chancellor reached his £2.3 billion figure by lopping off £1.2 billion from the real £3.5 billion figure on account of income tax and national insurance that the Exchequer might have lost because of lower bonus payouts, which the FT described as

"a highly speculative behavioural assumption."

Large bonus payouts dominated the headlines at the beginning of this year, and in his statement the Chancellor said that the four major banks had agreed that total bonuses for their UK-based staff would be lower than last year. In each case, we were told that the non-executive director who chairs the remuneration committee of each bank would have to confirm personally in writing that those agreements had been met, yet the banks' statement says:

"Nothing in this statement derogates from the obligation of the banks, and their boards and remuneration committees, to manage pay policy in a way which protects and enhances the interests of their shareholders."

Why should we believe that the banks will not wave that flag as an excuse when it comes to meeting the commitments on pay?

The Chancellor also said the banks have committed to disclose the pay details of not only their executive board members but the top five highest-paid executives not on the board, meaning that the salary details of at least seven executives at each bank will be published this year. Clearly, that Merlin provision has no teeth, because the chief executive of the Financial Services Authority has said that he has

"no power under the Financial Services and Markets Act to compel firms to supply information where it is not required for our regulatory functions".

That of course falls far short of what was required in the Walker review.

In conclusion, Project Merlin was welcome at the time, but it all seems rather aspirational, and there are gaping holes in the agreement. There is hope: on Monday of next week, the Independent Commission on Banking will publish its interim report. We hope that it will be robust and wide-ranging.

6.53 pm

Stephen Gilbert (St Austell and Newquay) (LD): I was just reflecting on what a pleasure it is to have these little nuggets of debate at the end of term; it is one of the unexpected pleasures of being a new Member of Parliament. I want to associate myself with, among others, the remarks made by the right hon. Member for Birkenhead (Mr Field) about animals and those by my hon. Friend the Member for Filton and Bradley Stoke (Jack Lopresti) about antisocial behaviour. The issue that I want to bring to the House's and the Government's attention is the role of incineration in the UK's strategy for dealing with domestic, municipal and other waste.

It might interest the House to know that according to the UK Without Incineration Network, about 90 applications for mass burn incinerators are being considered and 30 incinerators are operational across the country. The applications include one in Cornwall in a village called St Dennis in my constituency, and I want to talk about that later after I have made some general remarks about incineration.

It is quite clear from the evidence that incineration depresses recycling rates, wastes resources and releases greenhouse gases. Schemes are often forced through against the backdrop of strong public opposition. The business model for incineration often relies on an exaggeration of future levels of waste. Incinerators create potentially harmful emissions and leave a hazardous by-product in the fly ash that remains. As well as all that, the alternatives to incineration are cheaper, more flexible, quicker to implement and better for the environment. The question we are left with is "Why?"

Of course, for the industry and for local authorities across the country, incineration is a quick fix. It is an off-the-shelf solution, a one-off easy win to deal with the problem. However, in life I find that the easy solutions are often not the correct solutions. Rather than simply burn our waste, we should focus on reusing and recycling, separating food and other waste, and getting the maximum value out of the stuff that we dispose of. Incineration creates a Catch-22 situation in which we cannot achieve that value. For example, few local authorities are prepared to collect plastic waste other than bottles as there is

limited potential for it to be recycled. That locks the recycling industry into a position in which it will never be able to achieve the requisite economies of scale or to recycle and reuse the maximum possible amount.

We know that private finance contracts for waste that include incineration, such as that proposed for my constituency, depress recycling rates. They must do. They rely on having a steady amount of waste to fill the incinerators in each and every year of their operation. Given that criterion, we will never be able to achieve the maximum possible level of recycling.

Accounting for recovered energy, incineration produces twice or more the CO₂ per unit of power than energy produced by fossil fuels. Incinerators that do not maximise the heat that they are producing for other benefits have worse carbon emissions than gas or coal-fired power stations and a worse effect on climate change.

Incineration is not the way householders want their discarded material to be managed. Wherever an incinerator is planned anywhere in the country, protest groups are launched. Such people are not nimbys; they care about the future of our environment and recognise that there is a different way to do things.

Many waste PFI contracts are entered into as a response to the huge predicted increases in the quantity of household waste. In fact, household waste has fallen in many areas. According to the Department for Environment, Food and Rural Affairs, the average annual increase in municipal waste from 2001-02 to 2006-07 was just 0.2%—far short of the predicted 3% year-on-year rises on which many business models for incineration are based.

Graham Evans (Weaver Vale) (Con): I congratulate the hon. Gentleman on an excellent speech, which I agree with 100%. In my constituency, a business case was made for incineration and the application talked about 20% of the waste being supplied by road and 80% by rail. Come the retrospective planning permission, it changed to 80% by road and 20% by rail. That was done just so that planning permission could be obtained.

Stephen Gilbert: I am grateful to my hon. Friend. In Cornwall, the prediction is that there would be more than 1,000 additional lorry movements per week to serve the 240,000-tonne incinerator that would dominate the historic village in my constituency.

I am sure that in his constituency, just as in mine, there are concerns about the health impacts of the dioxins that are emitted by incinerators, despite the assurances on the filtering process that is used. There are particular concerns about that at start-up and close-down, when dioxins are not monitored.

During the general election, the incinerator planned for St Dennis was, bizarrely, one of the issues on which all but one of the candidates agreed. I believed then, and I still believe, that incineration is the wrong technology for Cornwall. Having one site to service all of Cornwall's waste is the wrong solution. St Dennis, a small and ancient village in the middle of Cornwall, is absolutely the wrong place.

Time after time, when the people of Cornwall have been asked for their views, they have rejected the option of incineration. The local parish councils rejected it, the district council rejected it and the former county council's planning committee rejected it. The community came

together across the political divide to oppose the application. Despite that, the applicant, SITA, has appealed those decisions, and senior officers of Cornwall council continue to peddle the doomsday myth to the people of Cornwall that incineration is the only answer to avoid multi-million pound fines—it is not, and they are wrong.

The application now sits on the desk of my right hon. Friend the Secretary of State for Communities and Local Government. I hope that as testament to his commitment to localism, he will back the united view of the local community and put the plans for the incinerator where they belong—in the recycling.

7 pm

Kate Green (Stretford and Urmston) (Lab): I, too, am grateful to the Backbench Business Committee for the opportunity to participate in this evening's debate.

I wish to talk about early years provision in Trafford, and I am especially pleased to do so on the day on which the Government publish their much awaited child poverty strategy. We have been told, not least by the Secretary of State for Communities and Local Government, that Trafford is a model council that is in some way managing the miracle of avoiding cuts to front-line services. I must tell the House, as a resident of Trafford, that that is not the case. Today, I want to highlight concerns about the impact on children's services.

I believe that Members throughout the House are united in our enthusiasm for Sure Start. We were all pleased when the Minister of State, Department for Education, the hon. Member for Brent Central (Sarah Teather), told us that its funding would be protected. Yet in Trafford, despite that assurance, the council has decided to impose a £689,000 cut on the provision of services in our children's centres. That means the end of universal provision, with a focus on services only for the most vulnerable, with the gaps that will be left being filled with volunteers, if possible.

What is wrong with that approach? First, where will we find the volunteers? Parents are often too busy to nip down the road and run their local Sure Start centre. More important still, it is vital that children, especially the most disadvantaged, receive the high-quality, professional child care that research has repeatedly shown us can really make a difference to their outcomes. It is important also to recognise that in targeting services, we miss the point that some needs apply right across the social and income spectrum. I could cite, for example, the need for support for post-natal depression, which can occur in all social classes and economic backgrounds. That service has been valued in children's centres in Trafford. I am pleased to say that it looks as though it will be performed on a voluntary basis for a time, but we ought not to rely on volunteers to provide something that is so fundamentally needed by women from across the social spectrum.

I worry repeatedly that when we start to talk of targeting services, we introduce the risk of stigmatising them. It is very important, when we want to reach out to the most vulnerable and disadvantaged in particular, that we do not create that sense of stigma or residualise our Sure Start children's centres by keeping them for only the most excluded.

In that context, I hope that the Deputy Leader of the House will feed back to the relevant Minister a genuine concern that I have, which I have not yet heard raised in

[Kate Green]

debates about the targeting of Sure Start services. Surely, on a day when we are considering how to increase the social mobility of some of the most disadvantaged in society, it is important that we recognise the importance of enabling the most disadvantaged children to mix with children of other backgrounds. That helps to raise aspirations and keep quality and standards up, and I am concerned that a residualised approach to Sure Start, such as we are beginning to see in Trafford, may remove that aspirational gain. That point was raised in his excellent report by my right hon. Friend the Member for Birkenhead (Mr Field)—I am sorry to see that he has just left the Chamber. He strongly advocated a universal Sure Start service because of the role that it could fulfil in helping to strengthen communities and the support that it could give families.

I am concerned that Trafford council's decision ignores the legitimate and important concerns that I have mentioned. I understand that Ministers do not want to interfere in local decisions about priorities, but I hope that as they publish their important document on child poverty and social mobility strategy today, they will want to track the indicators of social mobility not just at national but at local level. If that is not done, it is difficult for me to see how, in the current circumstances, children in Trafford can be properly protected and our council held to account.

7.4 pm

Mark Pawsey (Rugby) (Con): I have the honour of representing the only place that has given its name to an international game. Rugby is known as both a midlands market town and a fast-growing game, played in two codes by men and women. Indeed, the use of the same word for town and game occasionally leads to confusion. If one googles any organisation in my constituency with the town in the title, one gets links to a variety of rugby clubs around the world.

It all started in 1823 at Rugby school, which was originally established by Lawrence Sheriff for the boys of the town. In a game that largely did not have any rules, but involved hacking about an inflated pig's bladder, a pupil called William Webb Ellis picked up the ball and, importantly, ran with it, creating the characteristic feature of the Rugby game.

Other schools had their own rules for football, but they adopted Rugby's rules over time and the growth in the game led in 1851 to a ball of the characteristic oval shape, which was made by William Gilbert in Rugby, being exhibited at the great exhibition in Crystal Palace.

In 1871, at a meeting of 21 clubs in the Pall Mall restaurant in Regent street, the Rugby Football Union, the governing body for the sport in England, was founded, with its headquarters at Twickenham, which I describe as the second most well known place associated with the game of rugby.

In the 1860s and '70s, the game started to be played around the world, often taken to places by former pupils of the school. That led to the formation in 1886 of the International Rugby Board. One of the most significant developments in the game took place in 1895,

when the 12 northern clubs broke away to form the Northern Rugby Union, later called the Rugby League. Since rugby league has remained mostly in the north of England, the connections between the town of Rugby and the game have been mostly in respect of rugby union.

In the same year as the split, a plaque was unveiled at Rugby school, commemorating Webb Ellis's invention of the game. It is known locally as the tablet. Along with the field, which is known locally as the close, it serves as the main draw to the town for enthusiasts of the game.

The most significant recent development has been the introduction of the world cup tournament every four years. In 1987 it was first held, in Australia and New Zealand, when a trophy named after the game's founder, Webb Ellis, was won, of course, by New Zealand.

The next tournament took place in England four years later, in 1991, when Australia won and the town of Rugby experienced a large increase in visitor numbers as enthusiasts of the game, supporting their team, also looked in on the game's home. The 1991 world cup served as a catalyst for the town's increasing involvement with the game. In that year, Rugby's pathway of fame, a series of plaques embedded in footpaths around the town, was opened.

Also in 1991, the parliamentary world cup was played on the close at Rugby school. That enabled several Members of this place to put on their boots and play on the turf where William Webb Ellis started it all. I hope that that event will be repeated in the near future.

After England's victory in the 2003 tournament, the Sweet Chariot tour brought the trophy to the town, which honoured the winning team by granting them the freedom of the borough. The borough council has worked closely with the Rugby Football Union and the International Rugby Board in managing the collection of items that relates to the heritage of the game. Plans are in hand for a more extensive display in the town.

The game that started modestly in my constituency has grown in the UK to 200 clubs nationwide embedded in local communities, with the unique feature that there is a position for everyone, regardless of shape or size. Two and a half million people are engaged in rugby activity throughout England, with 60,000 volunteers and 35,000 coaches.

Rugby union is played in more than 100 countries spanning six continents. Later this year, the game's profile will be raised internationally with this year's world cup in New Zealand, which will provide a further focus on the town. However, the biggest opportunity will come in four years, when the tournament is based in England, with some games taking place at the nearby Ricoh stadium in Coventry.

At that time, the town of Rugby will prepare itself for its biggest ever influx of visitors as people seek out the place where William Webb Ellis did the deed that led to the formation of the massive international game that we all know today.

Rugby looks forward to that opportunity and to support from the Deputy Leader of the House and his Department in promoting the town as the home of the game.

7.10 pm

Dr Julian Huppert (Cambridge) (LD): It is a great pleasure to follow the hon. Member for Rugby (Mark Pawsey). I should point out to him that the original rules for association football were drawn up in Cambridge, so we have a shared interest, although that is not the subject that I wish to talk about today. I am sure we can discuss which game is better later.

I want to talk about a Cambridge transport matter. It is important that the difficult decisions we must make to tackle the structural deficit do not make us give up hope for what we can do in future. Perhaps we should see the recent economic crisis as an opportunity to remodel our economy, to make it more sustainable, diverse and innovative. We talk a lot about the need to encourage innovation, research and development in manufacturing, and my right hon. Friends the Deputy Prime Minister and the Business Secretary have both played important roles in encouraging scientific research in providing funding, for which I thank them. However, to build such a stable economy, we need a transport system to match. We need to get away from our overreliance on roads and cars, and move towards public transport, walking and cycling, and indeed towards travelling less altogether, with video-conferencing and working from home becoming increasingly viable alternatives.

I am therefore grateful for the opportunity to talk about a plan that meets all those policy objectives: Chesterton station in north-east Cambridge. The proposal that I am supporting today would cost a little over £20 million. A bid has been made for £10 million of regional growth fund support, which I hope the Government will support. It is a well-thought-through, carefully planned scheme that would mean, right from the start, 12 trains an hour running through the new station during the peak times. The station would be an important strategic interchange that would cut journey times for the vast majority who work in the north of the city, whether they travel from other parts of Cambridge or from further afield. The station would also provide a direct link between the high-tech businesses in the north of Cambridge and London, which is critical to their growth, and it would link up with the rather flawed guided bus scheme, if that £180 million project, which was due for completion two years ago, is ever actually finished.

Cambridge is a very special constituency for a number of reasons, one of which is the fact that it is a new business model for the rest of the country. It has a robust economy driven by innovation, research and development. I have explored those issues more extensively elsewhere in a charter for entrepreneurs, drawing on the successful experience of Cambridge's brightest and best investors and innovators.

There are some very successful areas. Cambridge science park has more than 100 global companies, 145 square metres of R and D floor space, and more than 5,000 jobs on site in important high-tech companies such as CSR and Cambridge Consultants. Nearby, Cambridge business park has another 1,200 jobs in companies such as Autonomy and Cambridge Broadband Networks and so on. St John's Innovation Centre is also in Cambridge. As well as the large global companies, we have the small start-ups—the globals of tomorrow—such as Taptu, Light Blue Optics and many others. Their

presence means that Cambridge has been insulated from many of the problems that have affected other parts of the country, such as unemployment.

There are risks—Cambridge is in danger of losing its comparative advantage as a business destination of choice. When I talk to entrepreneurs and those companies, they express concerns about overheating and the lack of infrastructure investment, and talk of housing shortages forcing people to live further away and of traffic congestion in the city. Despite the impressive environmental credentials of many of my constituents, more than a quarter of whom cycle to work or education, the ability of companies and businesses to grow is hampered by the lack of public transport access, particularly in the northern part of the city.

That is a key issue, and why it is so important that the Government accept the compelling case for a new station in Chesterton. Financially, the £10 million from regional growth funds, with £10 million that we can raise locally, will in only a few years give a £5 million a year cash surplus to the railway through fares and parking. It is a very profitable proposal. It has been calculated that the proposal will lead to around 1,000 jobs, making it a good investment.

The case is clear not only in Cambridge, but more widely. For example, somebody who works at the science park but commutes in from Brandon in Suffolk currently has roughly a 40-minute drive—or twice that if the traffic is bad. The rail journey would cut that down to 28 minutes. That is true for a huge range of other rail journeys into the science park area, because the new station would be just a short walk from all those companies. It has been suggested that it would attract about 2,600 users a day, about 1,500 of whom would be new users. Furthermore, the 1,100 who are not new to rail would not be travelling across the congested centre of Cambridge.

The scheme has been worked up and in the pipeline for a long time, and is supported by Cambridge city council, Cambridgeshire county council, Suffolk county council and many others. When I served on the regional assembly, it was the No. 1 regional priority. It would remove unnecessary traffic from Cambridge city centre, improve air quality, reduce congestion and delay, enhance public transport access and relieve congested roads such as the A14, A10, A11, M11 and A1301. It would also open up public transport routes for those in cities to the north of Cambridge, such as March, King's Lynn and Brandon, where there is less opportunity already.

The station could open up these opportunities and bring economic benefits to those areas, as the spending power of employees who live in the towns and could now commute by train to Cambridge increases. That is why Suffolk county council supports the scheme. The scheme fits well with national and local transport objectives, and would also alleviate traffic on the A14, which is a national concern. I do not envy Ministers in the Department for Transport. They have to be skilled financial managers and strategic visionaries, planning transport schemes years or decades in advance. However, every once in a while something comes along that really is an easy win. I urge the Government to support the plans for a station at Chesterton. It makes sense for Cambridge, for the east of England and for the UK as a whole.

7.16 pm

Mel Stride (Central Devon) (Con): I welcome the opportunity to participate in this debate and to speak about the importance of supporting businesses in our rural communities. I represent a highly rural constituency. At 550 square miles, it is one of the largest in the country. It is also, I believe, the only constituency in the country with no conurbation with a population in excess of 10,000—my largest town has a population of about 6,000 or 7,000.

Quite often in the House when we debate the economy and business, we implicitly make the assumption that city and city-centre economies, areas with high levels of public sector employment and perhaps our traditional industrial heartlands are particularly vulnerable to economic downturn. However, I am here to argue that rural communities are just as vulnerable, although in different but equally important ways. Much of the economic output in my constituency comes from farming and agriculture, which has its own unique challenges, including the power of supermarkets to control milk prices and the ongoing problems with bovine TB. I and many of my constituents felt that the previous Government did very little to tackle the latter problem, so I am pleased that this Government are taking a more positive approach.

In my constituency, as in many rural constituencies, small and medium-sized enterprises are particularly important. Hon. Members might be aware of a town called Okehampton in my constituency, which, because three SMEs have recently closed their plants, has seen unemployment sky-rocket from about 2% to in excess of 10%. That town and its community are having a difficult time at the moment.

In general, I welcome what the Government have done to support business. First, through the emergency Budget last year, they stabilised the economy, got to grips with the deficit to ensure that we did not lose our credit rating status, and ensured that interest rates did not spike and that we did not end up in the position that Greece is in today. Secondly, they are bearing down on the tax burden on business. In the previous Budget, they removed an extra 1% from corporation tax, so that it will be 23% by April 2014, which will give us the lowest level of corporation tax in the G7.

I have serious concerns, however, about the level of national insurance taxation. I know that the Government headed off some of the more onerous elements that Labour had planned, but this is a tax on jobs, and it is very unwelcome. I ask Ministers to consider bringing it down as soon as possible. I received an e-mail just this afternoon from an important business in Bovey Tracey, the House of Marbles, pointing out just how onerous that tax will be on the future of the business.

I welcome the fact that we are going to tackle regulation, that Lord Young's proposals are to be implemented and that domestic regulation on businesses that employ fewer than 10 people and on genuine new start-ups will be removed or not applied for three years. Those are all positive steps forward.

Specifically for rural communities, it is very important that the Government should keep a close eye on fuel costs. Very little happens in Central Devon in a business sense that is not affected by the price of fuel. Transporting a 25-tonne feed lorry from East Anglia to Devon costs some £400 in fuel alone. These are huge amounts, and

they affect all businesses that use distribution. For example, Gregory's, a large haulage company in North Tawton in my constituency which transports milk in particular, operates right across the south-west and beyond. To the extent that fuel prices go up, the company's prices go up too, and at the end of the day farmers' margins are squeezed even harder.

I want to raise one other important issue: the VAT rates applicable to tourist accommodation. We are unusual in the European Union, in that we are one of only five countries of the 27 member states to apply the same VAT rate to tourist accommodation as to other VAT-able items. That is a mistake. We should look seriously at lowering the rate. Germany has a VAT rate of 19%, but applies only a 9% rate to tourist accommodation. In Portugal, the figures are 20% for the general VAT rate, as here, but only 5% for tourist accommodation. Some 20% of our fellow countrymen and women take their holidays here in the United Kingdom, which is well below the 28% average across Europe, so we should really look at changing the rate.

The final element that I would like to mention is the importance of getting broadband rolled out in our rural communities. Some 33% of households in Central Devon do not have access to broadband at 2 megabytes a second, which hampers business. The national figure is just 18.1%. I hope that Ministers will listen to the points that I have made and recognise that when it comes to business, rural communities are as important as those in our towns and cities.

7.22 pm

Bob Blackman (Harrow East) (Con): It is an honour to follow my hon. Friend the Member for Central Devon (Mel Stride) and, before him, my hon. Friend the Member for Rugby (Mark Pawsey), as I live within walking distance of the proper home of football—Wembley stadium. I thank the Backbench Business Committee for securing this debate, and I thank you for calling me, Mr Speaker.

My hon. Friend the Member for Southend West (Mr Amess) raised the issue of Equitable Life policyholders. As co-chair of the all-party Equitable Life policyholders group, I trust that Members will attend our next meeting, on 17 May, when that subject will no doubt be raised.

In the time available, I want to talk about the seven schools in my area that are considering moving to academy status, the consultation for which closed yesterday. Three of the schools, Park High, Canons High and Bentley Wood High, are in my constituency, and four of them, Hatch End, Nower Hill, Harrow High and Rooks Heath college, are in the constituency of the hon. Member for Harrow West (Mr Thomas). We are talking about a potentially massive change to secondary schooling in Harrow and Brent: in the neighbouring borough, Claremont High school, which is just across the road from my constituency, is also considering becoming an academy.

The background to the issue has to be understood. During the 1990s in Harrow, only two schools decided to go grant maintained, the rest remaining under local authority control. Therefore, some 74% of secondary places are now in schools that are under consideration to become academies. According to Ofsted, all the schools are classified as outstanding. However, we cannot

be complacent, because that takes no account of academic capability or the results achieved in those schools. In fact, Ofsted reported that Park High school needed to "raise achievement by planning lessons to meet the varied needs of...students"

and

"Improve the consistency of the rigour with which curriculum leaders analyse the weaknesses in student achievement."

Canons High needed to

"Raise attainment, especially in English and Maths, via inspirational teaching, sharper monitoring and curriculum development,"

all of which I would strongly support.

One of the myths that is spread about the London borough of Harrow is that it is a leafy suburb. The fact is that, in most of the schools there, between 30% and 60% of the children are eligible for free school meals. There is great deprivation in Harrow, and it needs extensive assistance. One problem is that the schools were so successful that the last Government put Harrow right at the back of the queue for Building Schools for the Future. There was therefore no prospect of the schools being rebuilt to provide better-quality facilities where young people could learn.

Mr Thomas: I am grateful to the hon. Gentleman, my colleague in Harrow, for giving way. I would just like to correct something, as he is perhaps not aware that the eighth school, which is not going for academy status, Whitmore high school, received considerable sums of money from the previous Government and was completely rebuilt. That process was facilitated by the local authority under the stewardship of his party and mine. Is that not a good example of a local authority working in partnership with schools? Does he agree that we want to see that continue, whether the schools become academies or not?

Bob Blackman: I thank my hon. colleague for that intervention. The Whitmore high school, which has been rebuilt, suffered a fire and is now the subject of a scandal over the commitment of money and the overspending that has taken place on the rebuilding. The hon. Gentleman and I both care passionately about that subject, and we would not want to see that situation repeated. However, we want the co-operation to continue, whether the schools become academies or not, so that the community spirit can focus on the schools across the whole of Harrow.

Money is a big issue, and the additional funding that the seven schools would gain would add up to just over £3 million every year, which they would then disburse. It is not surprising, therefore, that Harrow council is taking this matter very seriously and looking at the structure of education locally as a result. I have raised this matter in the House before. I am concerned about the misinformation that has been spread by the council in its answers to frequently asked questions. In answer to the question "What do academies teach?", it suggests that each school is

"free to teach whatever it decides and does not have to follow the National Curriculum."

It does not go on to say that the curriculum must be broad and balanced, and have a core of subjects including maths, English and science. That would of course be in the minds of many parents.

The council also talks about admissions policies, but makes no mention of the fact that academies will be bound by the admissions code. Again, this is setting up problems for the future. In answer to the question about whether academies will raise standards, the council talks about the previous Government's proposals to replace failing and low-performing schools with academies. This takes no account of the fact that these are high-performing schools that will achieve more when the new leaderships take over their duties.

Questions are also asked about the effect on primary schools, and about whether the academies will have an impact on the ethos of education locally. It is clear that the schools in Harrow that are now consulting on becoming academies have said that they will retain the same admissions policies. They will also have a policy to work with the primary schools and other feeder schools, and in co-operation with all the other schools in the borough, whether they become academies or not.

The trade unions have run a major campaign against the schools taking on academy status. They have taken a short-sighted, narrow view on what could happen to the schools if they became academies. In May, the governing bodies of all seven schools will make a decision. It will be a momentous decision for the future not only of the individual schools but of the education system in the borough. I hope that those governing bodies will make the right decision, set themselves free and improve education for all the people of Harrow.

7.29 pm

Graham Evans (Weaver Vale) (Con): I am grateful for the chance to make a brief contribution. I want to talk about a recent announcement that has generated considerable concern in my constituency. After endless delays under Labour, this coalition Government have approved capital investment funding for the £431 million Mersey Gateway project in Runcorn. This plan is for a second crossing of the river Mersey; it is essential for tackling congestion across the region and will play a crucial part in the regeneration of Runcorn. It enjoys cross-party support and I have been pleased to work with Labour-controlled Halton borough council and the hon. Member for Halton (Derek Twigg), who I know has worked tirelessly in support of the project.

At the recent "march for the alternative", however, when asked where Labour would make the £14 billion-worth of cuts they said they would make this year, the Labour deputy leader said that the Labour party would "hold back on capital investment".

Given that the total level of capital investment planned is far less than the amount Labour says it will cut, and given that it has failed to specify any other areas for cuts, one must assume that it is planning to cut all capital investment. We can only assume that that means that Labour would scrap the Mersey Gateway project. That would be a terrible and stupid mistake. One must also assume that Labour would also cut £100 million of science capital development, including the substantial share going to Daresbury science and innovation campus in my constituency.

Presumably, high-speed rail is also for the chop under Labour's plans. Indeed, it would appear that no capital projects are safe under Labour. I strongly encourage all Members to speak up and demonstrate why the

[Graham Evans]

infrastructure projects in their constituencies should go ahead, as it would be economic madness to hold back on genuine capital investment at this time. If we want to rebalance the economy, improve our international competitiveness and go back to sustainable growth, we need to go ahead with the sensible capital investment that was approved following the spending review. Let me put it this way: Labour's plan to hold back on capital investment would be the wrong cut at the wrong time.

I thus applaud the Government who have been able to put together a credible and comprehensive plan for eliminating the structural deficit over the course of this Parliament, while ensuring that key projects such as the Mersey Gateway scheme go ahead. I think it is essential for the Opposition urgently to clarify their position on this crucial subject.

Finally, let me talk about another issue of serious concern in my area, on which it would be helpful to have some clarity from the Labour party. Having free parking in a town is one proven way of helping to keep a high street vibrant. In Northwich in my constituency, it remains free to park. Conservative councillors have made it crystal clear that it will remain free to park. The local Labour candidates for the election this May, however, have been going round running a misinformation campaign, trying to convince local businesses and residents that the only way to keep parking free is to vote Labour. Despite being criticised for shameless scaremongering and being asked to apologise and clarify the situation, Labour has carried on pursuing every dirty trick in the book in its attempt to get a footing back in the town after being wiped out at the local elections of 2008.

Labour first took the people of Northwich for granted; now it is trying to take us for fools—and it is becoming more serious. Some businesses contacted me because they were worried after hearing Labour's rumours. Some have talked even of leaving Northwich. Labour's reckless scaremongering campaign is now at risk of hurting our high streets and putting jobs in danger. It is important for the Labour candidates involved in this campaign to come out and apologise immediately. The people of Northwich deserve better.

7.33 pm

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): What a wonderful occasion these pre-Adjournment debates always are. I congratulate, as have others, the Backbench Business Committee on maintaining the tradition, albeit as the hon. Member for Wellingborough (Mr Bone) said, under a modified Hollobone system, rather than the full Hollobone one that we had last time. That has enabled four Members to have their contributions answered by the relevant, and very much better informed, Minister—the Minister with responsibility for pensions in the Department for Work and Pensions. As the hon. Member for Wellingborough was kind enough to say in his earlier comments—it is mentioned in the rubric to the notice of the debate—it is anticipated that I will be unable to answer the debate satisfactorily and therefore to provide hon. Members with adequate responses. I share that pessimistic assessment. Notwithstanding any comments

that I make this evening, I will ensure that every Member who has spoken receives a proper written response from the relevant Department.

Mr Thomas: The Deputy Leader of the House is generous in allowing me to intervene, as indeed he should be on occasions such as this. Does he agree that local authorities should help to create a genuine and open debate about the merits or otherwise of academies, and that putting both sides of the argument on councils' websites and encouraging youth parliaments in towns to debate the issue is a positive move? In that context, would he care to praise Harrow council—Labour-run—for facilitating such a debate?

Mr Heath: I have to say that I have no idea how Harrow council—Labour-run—has approached the issue of academies in the borough, although I have heard what has been said by both the hon. Gentleman and the hon. Member for Harrow East (Bob Blackman), who shares the borough with him. I think it important for communities—both the school community and the wider community—to discuss such matters properly and for a view to be reached that is then conveyed to Government, and to that extent I agree with him, but the way in which the arguments are couched is a very different matter.

I was looking for some common themes in the debate, but reluctantly concluded that there were none. For that reason, rather than trying to weave Members' contributions together in an elegant fashion, I shall deal with them one by one, commenting on them briefly.

My hon. Friend the Member for West Aberdeenshire and Kincardine (Sir Robert Smith) spoke of problems of oil and gas production associated with his constituency. I do not know of anyone who is better attuned to the industry than my hon. Friend, who has made a point of talking to representatives of industry over the years and being alive to their concerns. I understand why he said what he said, but, as he knows, the Treasury believes that because the oil industry is making record profits which will probably remain high because of the oil price, there is unlikely to be a significant effect on production and investment as a result of the tax change in the Budget. However, he was right to pass on the concerns that had been expressed to him, and I will ensure that Ministers from the Treasury and, indeed, the Department for Business, Innovation and Skills are aware of them.

The hon. Member for Houghton and Sunderland South (Bridget Phillipson) talked about buses. I was intrigued to hear about her big bus survey—a very snappy name for a survey—which, I gathered, was obtaining very useful results. I think that unless we recognise the value of public transport in this country we will be missing a trick, and will not achieve some of our objectives. I hope that she will maintain pressure on local authorities in her area to support bus services where that is appropriate. As she knows, a great many bus services receive no funds directly from councils, and are entirely commercially run. I am very impressed by what is being done by my colleagues in the Department for Transport in supporting community transport, and she may like to consider that in the context of her constituency.

I disagreed with the hon. Lady on only one point. She said that the loss of education maintenance allowance meant that young people attending colleges would not

be able to obtain transport, but that is precisely the issue that will be dealt with by the replacement for EMAs. An important part of the support for young people entering further and higher education is ensuring that they are equipped to do the job, as I hope she will recognise during the months and years to come.

The hon. Member for South West Bedfordshire (Andrew Selous) mentioned his constituents George and Dot Kemp. I am sure that the whole House will want to offer its heartiest congratulations to George and Dot on the occasion of their 60th wedding anniversary, which is a remarkable achievement in anyone's book. The hon. Gentleman stressed, as he often does, the importance of stable families and stable relationships to stable societies.

I do not think anyone would disagree with the view that it is important to provide family stability for children. That can be achieved in a variety of contexts of course, but stability is crucial. I hope that the hon. Gentleman was heartened by the earlier response that he received to an intervention during my right hon. Friend the Deputy Prime Minister's remarks on social mobility. He knows that the Government are attuned to supporting stability in family relationships, so far as it is possible for the Government to achieve that objective.

The hon. Member for Falkirk (Eric Joyce) talked about the very difficult situation that has arisen in the Democratic Republic of the Congo in respect of the competing commercial claims of companies working there. I perfectly well understand why he has reported that to the House, but he also knows that this is a legal dispute, and at the end of the day it will have to be resolved within the DRC legal systems. He made some wider points too, however. He stressed the need for—I hope I can say this while in no way patronising the DRC or any other developing country—a business environment that people can trust. That is crucial for the economic development of many such countries. I know Her Majesty's ambassador to Kinshasa has already raised that with the DRC Government in the context of First Quantum Minerals. The hon. Gentleman also stressed the need for transparency in business arrangements, and the Government absolutely agree. I hope that we will make further progress on that, particularly in respect of British companies or those listed on British exchanges. He has therefore made a valuable point.

No pre-recess Adjournment debate would be complete without the tour d'horizon of Southend that the hon. Member for Southend West (Mr Amess) generally provides. He said at one point that it is all happening in Southend. It seems that it is always all happening in Southend, which is why we love his contributions so much. I do not know how he manages to fit so many subjects into such a short period of time. He raised topics ranging from internet scams to Camp Ashraf, and I will, of course, make sure he receives responses on all of them. I wish to single out what he said about internet scams, however, as that is a growing problem. The Government take online fraud extremely seriously. What is illegal offline is illegal online, and it is a matter for the police and the relevant regulator.

When we get these phishing e-mails or scams, most of us do nothing about them; we just delete them. Those of us who are—if I can use this word—sophisticated enough to recognise a scam when we see it should do more than just delete them, however. We should report them every single time, so that the authorities can pursue the people

who prey on the vulnerable and those less able to recognise a scam. People are often defrauded of very large sums of money. I hope that we can make a start in pushing back against what is a very pernicious way of defrauding many people.

Sir Robert Smith: It would be good if the companies whose logos are used as a front for phishing scams took an interest when a customer reports such incidents. The logo of the Royal Bank of Scotland has been used.

Mr Heath: I could not agree more. I have often received e-mails telling me about my Halifax account when I have never had a Halifax account in my life. I feel guilty that I have not contacted the Halifax and said, "Do you know somebody's conducting a scam and pretending it's from your site?"

Sadly, the hon. Member for Newport West (Paul Flynn) is not in his place at present. He talked about the swine flu pandemic. Hindsight is a wonderful thing, and I do not entirely agree with everything he said. It is easy to say that contingency expenditure was not necessary, but the authorities would rightly have been criticised if they had not taken appropriate measures in response to what the World Health Organisation said. As the House probably knows, an independent review, undertaken by Dame Deirdre Hine, of the UK response concluded that the preparations for the pandemic were soundly based in terms of value for money and that the response was proportionate and effective. I criticised the previous Government at one point for not being ready for a pandemic, but they took action and made sure that we were better prepared. Therefore, I am not going to criticise Labour Members now for having perhaps reacted excessively in this case, although without having any reason to realise that they were overreacting.

The hon. Member for Tiverton and Honiton (Neil Parish) raised the cases of three of his constituents, all of which ought to give us cause for concern. The wounded soldier's case is the one that immediately comes to mind, because everyone in this House ought to appreciate the debt that we owe to the young men and women we send to places such as Afghanistan. They risk their lives and their futures in that country and similar conflict areas, and part of the covenant with our armed forces is that we will treat them properly when they return. I will make sure that the relevant Minister gets a clear message about that individual.

The hon. Gentleman mentioned Ukraine and the case of Barry Pring, a constituent of his who is, sadly, deceased. This is a matter that I should bring to the attention of the Minister with responsibility for consular services in the Foreign and Commonwealth Office. I am not sure whether the case of Mr Hart and the Axminster medical practice has gone beyond the point where it can be remedied, but I will still pass the details on to my colleagues in the Department of Health.

The hon. Member for Harrow West (Mr Thomas) rightly raised the issue of Sri Lanka, as he has done on a number of occasions. He knows that the Government continue to have grave concerns about human rights in Sri Lanka, including in respect of disappearances, extra-judicial killings, arbitrary arrests and restrictions on free expression. These concerns are constantly raised with the Sri Lankan Government and we have also consistently stressed the need for Sri Lanka to have an

[Mr Heath]

independent and credible process to address allegations of violations of international humanitarian and human rights law during the conflict. I think we can only maintain that pressure. He is right to raise the issue on behalf of a substantial community in his constituency with an interest in Sri Lanka, and I hope that the House will continue to concentrate its mind on such matters.

Mr Thomas rose—

Mr Heath: I do not have an unlimited amount of time, but I will give away briefly.

Mr Thomas: I recognise that, understandably, the Minister cannot give me a detailed answer to my various questions, but may I ask him to encourage the Foreign Office to examine the particular issue of the three-member panel and whether its report to the UN Secretary-General can be made public?

Mr Heath: I will indeed.

The hon. Gentleman also raised the issue of polyclinics. He knows that the Government's view is that local health facilities are best determined by people in localities and that the whole thrust of Government policy is to ensure that that happens. Therefore, if the polyclinics enjoy a high level of support in his area, I hope that that will be demonstrated in any future action in that area.

The hon. Member for Blackpool North and Cleveleys (Paul Maynard) raised a fascinating issue. We sometimes forget about the value of 20th-century buildings that may not be immediately attractive. I am not saying that such buildings are not immediately attractive, because some listed buildings in my area, dating from the second world war, are sections of hangars. They were made into residential properties as a temporary measure during the war and are very near the air station at Yeovilton. They are now listed and they are fine examples of something that was done as an expediency but that has a continuing historical interest.

The hon. Gentleman also raised the issue of nuclear facilities. As he says, this is not a question about the rights or wrongs of nuclear power; it is about the fact that they have clearly made a contribution to the technological advances, or otherwise, of the 20th century. He recognises the difficulties involved when a heritage site may indeed be dangerous because of radioactive contamination—we need to be careful—but he knows that the Government recognise the historical significance of Britain's nuclear sites and that we are looking to see what can be done to ensure that that heritage is at least maintained in part. I must say that when I am in Bridgwater bay I prefer to look towards the Quantocks and Exmoor than towards Hinkley Point, but beauty is in the eye of the beholder.

The right hon. Member for Birkenhead (Mr Field) talked about the Animal Procedures Committee. This is a very sensitive issue and he was absolutely right to raise it in the House. We have moved a long way over the years. When I was an undergraduate reading physiological sciences, I was automatically given a vivisection licence as a 19-year-old. That would not happen nowadays, but it was normal at the time. It was considered perfectly all right then, but it would not be now. The Government have made a clear commitment in the coalition agreement

to work to reduce the use of animals in scientific procedures and we are working on plans that we will announce in due course, which I hope will trigger exactly the sort of debate that he asked for.

The hon. Member for Filton and Bradley Stoke (Jack Lopresti) mentioned the Avon and Somerset helicopter, which is very dear to my heart because I was the chairman of the Avon and Somerset police authority when it was bought. Until then we had had no air cover in Avon and Somerset. I persuaded Gloucestershire constabulary to share a third of the cost and between us we were able to afford a helicopter that was based at Filton, so I recognise the value of that facility to the force area.

The main thrust of the hon. Gentleman's comments was antisocial behaviour and the effect on his constituents. I am sure that he will have done this, but if he has not he ought to seek a meeting in the very near future with Chief Constable Colin Port of the Avon and Somerset police, who is very keen on community policing and policing at the local level. I am sure that he would be interested in what the hon. Gentleman has to say.

The hon. Member for Streatham (Mr Umunna) raised the issue of Project Merlin. He is in the privileged position, as a member of the Treasury Committee, to be able to tease out these issues on a regular basis and I know he will continue to do so. I share his anticipation regarding the report of the Independent Commission on Banking. Like him, I hope it will be comprehensive and robust. The one point on which I would perhaps take issue with him is his comment that he would be reading the small print on Project Merlin. Under the previous Government's arrangements with the banks, we could not read the small print because there was none—the pass was sold in a masterpiece of poor negotiation, but there we are.

My hon. Friend the Member for St Austell and Newquay (Stephen Gilbert) talked about the UK's incineration policy. I think he will consider it good news when I tell him that the Government are reviewing all aspects of waste policy and delivery in England, including the recovery of energy from waste, with the principal aim of ensuring that we are taking the right steps towards a zero-waste economy. The findings of the review will be ready for publication in May 2011. In other words, it will not be very long now. I hope that he will find in that review something of value to his constituents, particularly those who live in St Dennis. I absolutely agree with him that the major objective must be an overall goal of waste reduction. The priority must be reducing it at source wherever possible rather than any form of waste disposal.

The hon. Member for Stretford and Urmston (Kate Green), to whom I listen with great care when she talks about child poverty and children's care issues because I know she has a great deal of experience and expertise, talked about children's centres and how they might be dealt with in Trafford. I apologise for sounding as though I invented everything, but I was involved in setting up one of the first children's centres in Frome when I was the leader of the county council there. I think they are of enormous value, as do the Government. She raised a particular point about socialisation and the interplay between child poverty and providing opportunities for children to mix with others from different backgrounds, and she is absolutely right. We cannot have a system

that is based on ghettoising people of modest means in any way, as that will not achieve the objectives of social mobility that were the entire thrust of what the Government said today.

The hon. Member for Rugby (Mark Pawsey) started his speech very boldly by claiming that his was the only town to have given its name to a game. I say to him: Badminton. Obviously, rugby is the most important sport. Actually, there are three sports in my book: rugby, cricket and horse racing. The rest are games. He ought to know that he is talking to the right person about rugby, as I used to try to participate, and I would have worn my Saracens tie had I known that that was what he would raise. We are all looking forward to hosting the rugby league world cup in 2013 and the rugby union world cup in 2015, the latter of which is expected to contribute £1.1 billion to the economy. It is not just sport; it is big business as well, and all the better for it. I hope that the town of Rugby can contribute to and be recognised as part of that process.

My hon. Friend the Member for Cambridge (Dr Huppert) made an extremely strong case for establishing a new railway station at Chesterton in his constituency, but obviously he needs to garner all the local support that is necessary to push for the project with the Department for Transport. I know that the Department is aware of the local interest. If I am in his constituency over the next few weeks, as I suspect I will be, I would be delighted to see the site for myself and report back to colleagues in the Department if that would be helpful. However, I cannot promise all hon. Members who have spoken that I will be able to visit their constituencies over the next few days.

The hon. Member for Central Devon (Mel Stride) raised a number of issues that are common to both our constituencies. I have one town—Frome—that is bigger than his biggest town, but nowhere else in the constituency has more than 3,000 or 4,000 inhabitants, so we have similar demographics. We in rural areas often feel that we have been forgotten over the years. It is very important that we recognise the economic needs and potential of areas such as Somerset and Devon—but principally Somerset, of course.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): And Shropshire.

Mr Heath: Yes, although Shropshire is not in the same local enterprise partnership as Somerset and Devon, which were a little slow off the mark but now have their LEP. I am looking forward to seeing it work carefully to encourage business growth in our area and, in particular, stimulate the need for investment in broadband, which is essential to the economic future of areas such as ours. I know that the Government recognise that fact.

The hon. Member for Harrow East referred to the seven schools in Harrow that are applying to become academies, and we heard a preview of that discussion from the hon. Member for Harrow West. I repeat that it is a matter for the governing bodies, but it is also a matter for others in the community to discuss with those bodies. We would expect local authorities to respect schools' wishes and support them, but to do so in an informed way. I know that the Department for Education is keen to hear from the local schools and discuss their future needs with them.

Finally, but not least among the 20 colleagues to whom I am responding in this brief debate, the hon. Member for Weaver Vale (Graham Evans) talked about the Mersey gateway project in Runcorn. He could not be more right. At a time when revenue budgets are necessarily constrained because we are dealing with the biggest deficit that any Government have ever faced, capital investment is nevertheless absolutely crucial. This Government have demonstrated that they are committed to introducing and maintaining capital investment to improve infrastructure and to create jobs, and that must be the right way to proceed. I hope that there will be no question whatever of what has been promised being cancelled at any future stage.

In closing, I thank again the Backbench Business Committee, but I would like to wish you, Mr Deputy Speaker, the staff and Officers of the House and, indeed, all Members not a happy holiday, because I suspect that, certainly for most Members, it will be a very busy period indeed in their constituencies, but a peaceful Easter, and at least a brief respite from their duties in the House.

Question put and agreed to.

Resolved,

That this House has considered matters to be raised before the forthcoming adjournment.

PETITIONS

Bus Service (Croyland, Wellingborough)

8 pm

Mr Peter Bone (Wellingborough) (Con): With the leave of the House, I will present two petitions.

Last Friday I went to a packed protest meeting in the Croyland ward, which had been organised by the excellent Councillor Thomas Pursglove and Councillor Martin Griffiths, and it concerned the loss of a bus service.

The petition states:

The Humble Petition of residents of the Croyland area of Wellingborough, Northamptonshire, and the surrounding areas, Sheweth,

That the proposed loss or reduction of public transport routes within the Croyland Ward of Wellingborough will significantly disadvantage local residents, in particular the elderly, disabled and young; and that the potential loss of the W3 bus service will leave many residents with no way of getting to the town centre.

Wherefore your Petitioners pray that your Honourable House urges the Secretary of State for Transport to liaise with Northamptonshire County Council and the Borough Council of Wellingborough to find a resolution that will lead to the maintenance of an acceptable level of public transport in Croyland.

And your Petitioners, as in duty bound, will ever pray, &c.

[P000915]

Isham Bypass (Wellingborough)

8.1 pm

Mr Peter Bone (Wellingborough) (Con): The second petition is on the disappointing news that the Isham bypass will not be built at the moment.

The petition states:

To the honourable the Commons of the United Kingdom of Great Britain and Northern Ireland in Parliament assembled,

[Mr Peter Bone]

The Humble Petition of residents of the Isham area of Wellingborough, Northamptonshire, and the surrounding areas, Sheweth,

That for forty years there has been a need for a by-pass of the village of Isham; that the recent increase in housing and traffic has led to the environmental conditions for the residents of the main road in Isham being intolerable; and that the lack of a by-pass has caused unacceptable levels of noise and air pollution, safety issues for pedestrians and motorists and structural damage to properties.

Wherefore your Petitioners pray that your Honourable House urges the Secretary of State for Transport to liaise with Northamptonshire County Council and the Borough Council of Wellingborough to find a resolution that will lead to the reconsideration of the cancellation of the Isham By-Pass and a high priority given to its construction.

And your Petitioners, as in duty bound, will ever pray, &c.

[P000914]

Forestry Commission (Northumberland)

Motion made, and Question proposed, That this House do now adjourn.—(Stephen Crabb.)

8.3 pm

Sir Alan Beith (Berwick-upon-Tweed) (LD): And finally, to forestry. I am very glad of the opportunity to raise the issue of employment in forestry, and particularly employment by the Forestry Commission in Northumberland.

There is more forestry production in Northumberland than in any other English county, and part of it takes place in my constituency, where the Forestry Commission has Harwood, Rothbury, Kielder and other forest areas. The greater part of the production takes place in the constituency of my hon. Friend the Member for Hexham (Guy Opperman), which has Kielder, Wark and Redesdale forests.

Forestry jobs in my constituency are centred on the commission's Rothbury office, but all 12 full-time equivalent jobs are planned to go with its closure. That is out of a total of just under 90 full-time equivalent jobs in the county, and they are to be reduced to 65. Most are based at Bellingham and Kielder in the Hexham constituency. Those numbers might not seem large to Members from urban areas, but they are very important to small rural communities such as Rothbury and Bellingham.

Forestry staff are key holders of expertise on woodland issues. The forest ranger—we will have only one at the end of this process—used to educate schoolchildren about the forests and their wildlife, as well as helping to secure income from deerstalking. Forestry employees are key members of their local communities, often serving as first responders and trained firefighters. There are jobs in the wider community dependent on forestry, and the Rothbury office puts £200,000 a year into the local economy in salaries alone.

Looking at the post-war history, it is interesting to note that the few remaining jobs in the direct employment of the Forestry Commission contrast with the original plans to provide a major source of employment in the countryside. Whole new villages such as Harwood in my constituency, and Kielder, were built between the 1940s and the 1960s for the workers who were expected to be employed in the expanding state forests. Now almost no forestry workers live in these houses. There were many critics of the policy that replaced hill shepherding with massive, regimented plantings of Norway and Sitka spruce, but the critics were told that trees meant jobs. Kielder village alone was projected to have a population of 800, but it never happened. The more accessible but still remote village of Harwood has become home to people who travel to a variety of jobs elsewhere. Even the house that has been built during my time as an MP, for the forest manager at Harwood, is no longer in forestry use.

To get a reminder of the almost ideological commitment that brought large-scale forestry to our hills, I looked at the 1950s edition of the Shell guide to Northumberland written by the legendary town planner, Thomas Sharp, who said:

“there is now taking place...an agronomic and scenic revolution of a kind that has happened only once before in the recorded history of England...The present revolution is in the development of the great new FORESTS that are being planted by the Forestry

Commission, acting as the agent of Government...two or three hundred square miles of Cheviot country is being...transformed...beyond all recognition from grassy sheep walk into vast forest of...Sitka and Norway spruce."

He goes on:

"You may not like what you see. Most of us who have loved these grassy hills with their soft, many-tinted, cloud-shadowed outlines, their sense of wide, unrestricted freedom, their clean free air, cannot but regret the beauty that has gone. But when these forests have matured they too will have some beauty of their own. And in any event, the case for change is incontestable. In the planting that is now going forward much hardly-used land is being brought into enormously increased productivity for human benefit. Where before, as sheep walk, it employed one man to approximately every 500 acres, as maturing forest it will employ twenty times as many".

He says that the new villages were to be

"large enough to afford opportunities for a reasonably full social life even in these remote hills: and all so designed that they will not be suburban-looking intrusions but closely-knit places"

with

"something of the character of the true English village...in this great Government undertaking you will see in progress a rural revolution".

Well, we should beware of planners and their forecasts. Even in those days, many country people and many who loved the hills as walking country did not subscribe to this vision. Indeed, the Forestry Commission was often criticised for covering the hills with regimented blocks of non-native trees and for the failure of so many of these jobs ever to materialise. The majority of the jobs that were created in the local communities disappeared as a result of mechanisation, the use of highly mobile contractors, and the sale of standing timber to be harvested by the purchaser.

We all experienced the recent campaign against the forest sales. The enthusiasm of that campaign, which has led to a rethink of the policies of the present Government, and indeed the previous one, is something of a tribute to the Forestry Commission and its staff. It was not that they campaigned, but that their work had changed the way that the Forestry Commission is perceived. From a position that was controversial to many, it has over the years won a lot of friends. How? It has significantly increased its commitment to landscaping and the use of native species, and adjusted its planting policy to avoid the alien squares and rectangles that wrecked the hill landscape in earlier forestry plantations. It has developed access and leisure opportunities that are much appreciated by the public. At Kielder, this is in co-operation with Northumbrian Water. Through the forest service, which is the main activity at the Rothbury office, it has provided valuable advice and administered grant and approval schemes for the large number of private forest owners and farmers in Northumberland. It has educated children and young people about forests and wildlife. Forest Enterprise, its commercial arm, is regarded by the timber-using industries, which are well-represented in Northumberland, as a guarantor of supply and relative stability in the market.

It is obvious from all the e-mails we receive that people have learned to love the Forestry Commission, and that is down to the work of its staff. Clearly, a massive sale of forests would reduce the small staff even further and bring to an end much of the activity I have described. Smaller forest sales to rationalise the estate and some purchases can make sense, and I would not

want the prospect of charitable trusts choosing to run some ancient woodlands, as the Woodland Trust already does, to be thrown out with the bathwater of the large-scale sales idea.

The threat to jobs does not come from the halted programme of large-scale sales; it was planned to meet the financial pressures on the commission under the spending review. The redundancies were to be paid for out of the proceeds of the more limited programme of sales that the Government had announced earlier, based on the system for forest sales operated by the Labour Government, which has also been halted while the Government's new independent advisory panel, chaired by the Bishop of Liverpool, considers the future of state forestry.

If the panel recommends that there should be very few further sales, how are the redundancies to be financed? How are the losses, funded by the previous Government partly from sales, to be funded? If the panel recommends that more work should be done in access and leisure, in biodiversity or in education, how can it be done without the expertise of the staff who are being made redundant? How will the advisory work of the forest service in Northumberland's private forestry be maintained? Its role is crucial, in, for example, combating disease when the threat arises. How will the panel consult not just the Institute of Chartered Foresters, which is represented on the panel, but forestry workers in general?

There is a further crucial point that I want Ministers to consider. The Northumberland forests are unlike the forests of southern England—they are predominantly commercial, high-yielding forests. There is also extensive private commercial forestry to regulate. If all the forest service offices in the northernmost counties close—Rothbury, Hamsterley and Penrith—that work will not be easily or well managed from York or Delamere.

Forestry in Northumberland is much more akin to forestry in Scotland. Indeed, the border forests used to be seen as a single group—I have with me tonight a guide book to the border forests—and they meet at the border in some places. Northumberland's forests are commercial producers on a very large scale and they need to be understood differently from some of the forests in southern England.

I have a specific proposal for the Government about the Rothbury office. The national park is considering closing its information centre in Rothbury and both Natural England and the Environment Agency work closely with the Forestry Commission and the national park, as does Northumberland county council. Why cannot those agencies pool a small amount of resources and maintain a presence in shared offices in Rothbury? In that way, they can retain an effective local service and improve joined-up working, which proved itself to be essential in handling the recent floods. It is time to think more radically about how services vital to the countryside and the rural community can be maintained. Here is an opportunity to set an example.

Nationally, under the spending review, the Forestry Commission is likely to lose 29% of the staff of Forest Enterprise and 19% of the staff of forest services. Nowhere is that more keenly felt than in Northumberland. Now that the forest sales that were to fund that redundancy programme are being reconsidered, surely the office closure and the redundancies must be reconsidered, too. Apparently, half a million people signed—or perhaps

[Sir Alan Beith]

clicked on—the petition opposing forestry sales. They were not convinced by the argument that large-scale commercial forestry does not need to be state run, at least in part. They were particularly concerned to maintain the access and biodiversity work, which needs experienced and qualified commission staff. This is not an easy circle for the Government to square, but they must listen and they must respond.

8.14 pm

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): I congratulate my right hon. Friend the Member for Berwick-upon-Tweed (Sir Alan Beith) on securing the last Adjournment debate of this part of the parliamentary Session. This matter is close to his heart and important to his constituency, but, as he rightly said, it is of much greater significance, as we have witnessed over the past few weeks.

As my right hon. Friend rightly reminded us, his constituency, and the county of Northumberland even more so, are hugely important to the public forestry estate. His constituency, despite not containing Kielder, is within the top 10 by public forest estate land area, which makes it very important. He rightly referred to many issues beyond pure forestry, such as forestry employment and jobs, and rural housing. He knows as well as I do that the world has moved on and that the idea of big estates, whether private or public, for workers in any industry has long since disappeared. Nevertheless, forestry workers and the forestry industry are important in rural areas. I have always understood the statistics, which he gave, that compare forestry with hill farming, which preceded the planting of many forests.

I and the Department recognise that Kielder and most forests in northern England are primarily commercial. As my right hon. Friend said, they are more akin to some Scottish forests. Nevertheless, as we have witnessed over the past few weeks, there is significant public concern about their future. However, I do not wish to repeat all the issues that were raised in the initial consultation and before it.

We have taken a step back and have appointed the independent panel, to which my right hon. Friend referred. The panel will advise us on the future direction of forestry and woodland policy in England. It has already had its first meeting. To partly answer his question about forestry workers, the chairman of the panel said yesterday in a brief statement after its first meeting that it is determined to get around the country and to meet everybody who has an interest in these matters, including forestry employees and those who campaigned in various ways in the run-up to the formation of the panel.

As my right hon. Friend said, there is the separate issue of the planned disposal of 15% of the public forest estate, which we had planned to do during the spending period from this financial year to 2014-15. I stress that that has been suspended, not cancelled. As he rightly said, those figures were part of the overall DEFRA budget, although most of the money was not allocated because we did not have it. Nevertheless, some of it was to be used by the Forestry Commission. I will come back to that point.

My right hon. Friend asked how the redundancies will be funded. I will come back to this in more detail, but it is relevant at this point. They will be funded by DEFRA's modernisation fund, and were not planned to be funded from the forest sales. Obviously, there will be an effect on cash flow, because we intend to resume the sales after the panel has reported on how we can protect public interests. That is a cash-flow issue for the Forestry Commission, which we are working closely with it to minimise.

Obviously, the panel will have to recognise the constraints and competing demands on public expenditure in this spending review period and beyond. That brings us to the current situation, which my right hon. Friend rightly distinguished from the future of the public forestry estate. Clearly, we have to reduce the structural deficit. We have said that that is the No. 1 Government priority, and with the two notable exceptions of the national health service and the Department for International Development, everybody is having to take their fair share. The Forestry Commission, along with DEFRA and all our other arm's length bodies, has to work in that tough fiscal environment, which means unprecedented savings.

The Forestry Commission's budget in England will reduce by 25% over the next four years, and I stress that in addition, we expect Forest Enterprise to reduce to zero the current reliance on the sale of assets for some £8 million a year of income. My right hon. Friend referred to the sales carried out by previous Governments, and in the past several years capital has been sold to fund revenue. That practice is completely wrong. It has been the selling off of forests simply to fill a gap in Forestry Commission finances, and it has to stop by the end of this spending review period.

To achieve those changes, the Forestry Commission in England will need to undertake significant restructuring and the downsizing of its programmes, at the same time as taking on a number of new challenges. The commission's focus will be much more on protecting and improving the woodland resource and encouraging woodland expansion. That will be delivered through promoting a competitive, thriving and resilient forestry sector, and through the empowerment, engagement and involvement of many local communities in the big society.

May I pick up my right hon. Friend's point about disease? Ever since I took responsibility for the matter, I have been extremely concerned by the march of a number of diseases, particularly *Phytophthora ramorum*, which fortunately I do not think has reached Northumberland, but which has devastated forests in the south-west. I do not want to say too much, because the commission has not yet consulted on the matter, but I can assure him that we are doing our very best to maintain research into such diseases. Although I cannot say that there will be no reduction in spending on forestry research, the key tree health and disease programmes will be protected. That is very important if we are to get on top of diseases that could have a devastating effect, and not just on non-native species—we know that some of them are in oaks, as well.

Sir Alan Beith: I know that the Minister takes a close interest in that matter. The disease threat requires the commission to be able to respond quickly if a farmer or landowner discovers what appears to be evidence of

disease on his land. It will not be satisfactory if somebody has to come up from the opposite end of the country to do that.

Mr Paice: I entirely agree with my right hon. Friend, and I am just coming on to the specific proposals. I do not think there is any real suggestion that somebody would have to come up from the other end of the country.

Only last Friday, the commission closed its consultation with its staff on proposals for restructuring and reducing the size of the organisation in such a way that it can manage the public estate and deliver the wider forestry service. One proposal in the consultation document was to reduce the number of forest districts that manage the public forest estate from 12 to six, and the units that manage grants and regulations from nine to five. An inevitable consequence of that proposal would be a reduction in the number of offices needed, and as my right hon. Friend said, regrettably, one of the offices that has been identified as potentially surplus to future requirements is Rothbury. However, the nearby office at Bellingham would remain, and high priority is being given to retaining front-line staff. The Forestry Commission will aim to minimise the negative impact on its staff and will use compulsory redundancies only as a last resort.

My right hon. Friend rightly referred to the options for sharing offices, and I can assure him that the potential for office sharing with other delivery bodies is being considered. That is not unique to the Forestry Commission, because DEFRA is pressurising all its arm's length bodies to work much more closely together. That applies to Natural England and the Environment Agency, and, as he rightly said, to the national park authorities where relevant. We are encouraging much closer working, not just the sharing of office space, in the interests of efficiency as well as of resource saving.

As my right hon. Friend knows, I cannot speculate on the outcome of the consultation to which I referred and the decisions that the Forestry Commission needs to make, but I can outline the next steps that it has planned.

By the end of April, the responses to the consultation will be shared with staff and by the end of May, the proposals for structures and staffing will be presented

to the Forestry Commission's staff council and to wider staff. That will be followed by an implementation plan, which is expected to be delivered progressively to 2014-15.

Unfortunately, as we all know, the financial position in which we find ourselves means that forestry commissioners cannot delay starting the changes until after the panel advising on the future direction of forestry and woodland policy in England has reported.

The way in which the Forestry Commission moves forward to 2014-15 is also likely to be influenced by the outcome of the panel's report, and any decisions we make in response to its advice. My right hon. Friend rightly said that perhaps the outcome will be more work for the Forestry Commission. All I can say is that we will have to cross that bridge if and when we come to it. We cannot afford to wait, because the savings have to be made.

However, the overall aim is to ensure that we have an organisation that is fit for purpose and can deliver our key objectives for forestry in England.

None of us willingly enters into action that will cause other people to lose their jobs. As somebody born and bred in the countryside, I feel passionately about it and fully understand that, as my right hon. Friend said, very small numbers can be significant in our more rural areas. None of us entertains such action lightly. However, getting the country's structural deficit back under control should not be taken lightly, either. That is why we have to make tough decisions, although the detail is clearly a matter for the Forestry Commission.

The Department and the Government feel strongly that forestry is a vital part of our rural communities. It is now in the hands of the panel to advise us on the form that it takes—the ownership, management and so on—but we are convinced that it has a long-term future as part of the rural economy and of providing biodiversity, energy, a carbon sink and the multiple benefits that we all, as a community, get from our forests.

I am grateful to my right hon. Friend for raising the subject and I hope that I have been able to answer at least some of his concerns.

Question put and agreed to.

8.27 pm

House adjourned.

Westminster Hall

Tuesday 29 March 2011

[MARTIN CATON in the Chair]

West Lothian Question

Motion made, and Question proposed. That the sitting be now adjourned.—(Mr Dunne.)

9.30 am

Paul Murphy (Torfaen) (Lab): It is a great pleasure to serve, as always, under your Gower chairmanship, Mr Caton. I welcome the opportunity to have this debate for a number of reasons. It gives me the chance to reflect on an issue that was important in the 10 years that I spent as a territorial Minister in both the Wales Office and the Northern Ireland Office. In the case of Northern Ireland, my job was to oversee the talks that led to the establishment of the Assembly and the Executive. In Wales, I worked with the Welsh Assembly in the first decade of its life. I have, therefore, a particular personal interest in this issue.

Secondly, the Government, it seems—I am not quite sure that I have seen the detail; I am certain that the Minister will enlighten us later—have called for a commission to look at constitutional issues, and specifically the West Lothian question. I hope that when the Parliamentary Secretary, Cabinet Office, the hon. Member for Forest of Dean (Mr Harper) makes his winding-up speech, he can tell us about the nature of that commission—who will sit on it; when it will meet; whether its recommendations are likely to be binding; whether, although this would be unusual, it will be consensual—and all the details that surround the issue.

Thirdly, the constitutional issues that have affected Wales as a consequence of the Government's policies have had little chance of being debated in the House of Commons. Those issues affecting Wales—the loss of its Members of Parliament and other issues—did not reach the stage of being debated on the Floor of the House, and as you will know, Mr Caton, we were refused a meeting of the Welsh Grand Committee to discuss those important issues of constitutional change.

Chris Ruane (Vale of Clwyd) (Lab): On the consensual nature of the commission, what hope does my right hon. Friend hold out that it will be consensual, bearing in mind the constitutional changes of the past eight months, including the alternative vote, which is simply to please the Liberals, and the equalisation of seats, which is simply to please the Tories?

Paul Murphy: None. The Welsh dimension is important, but the West Lothian question affects Northern Ireland and Scotland as well. The issue is of particular interest to Welsh Members because, as the Chamber will know, a few weeks ago the referendum result in Wales was a decisive vote in favour of increased powers and the right of the Assembly to pass its own legislation. Of course, the West Lothian question was being debated and discussed well before that.

Mr Mark Field (Cities of London and Westminster) (Con): I have quite significant sympathy with elements of what the right hon. Gentleman has said, particularly as so many of the Welsh-related issues in the Parliamentary Voting System and Constituencies Bill were not even debated in the House, which was highly regrettable. Equally, surely he must understand that one of the problems with the West Lothian question is the idea of over-representation of particular parts of the UK. Does he feel that it is sustainable for Wales to be so massively over-represented in the United Kingdom Parliament, given its population? Does he feel that it would be wrong to have a reduction on a pro rata basis, to ensure that all parts of the UK were equally represented in this place?

Paul Murphy: I do not think that Wales is over-represented. I think that in the House of Commons, Wales is represented differently from England, as are Scotland and Northern Ireland. I will come to that in a moment, because the issue of how Wales, Scotland and Northern Ireland exist constitutionally within a United Kingdom is very important. That is why I think that Wales's current representation is right. When the next election comes—assuming that it will be in four or more years' time—we will have the lowest number of MPs in Wales since 1832. The hon. Gentleman may recall that in the referendums on devolution in 1997 in Scotland and in Wales, part of the settlement on which the Welsh and Scottish people voted was the retention of the number of MPs for both Scotland and Wales. That was in order to ensure that there was proper representation within the Union. By that I mean decent representation, with advice being heard; I am not necessarily talking about numbers, though of course if there are more, there is a better voice.

Mr Field: Does the right hon. Gentleman not understand that there is an equally deeply felt concern in England? Not only is there a devolved settlement that gives the Scots a Parliament, and Northern Ireland and Wales an Assembly with additional powers, but there is a relative over-representation, in the sense of fewer constituents for MPs. Does he not see that there is one leg—a rather important leg—of the United Kingdom that feels very much under-represented and unloved, and that that is one of the reasons why the West Lothian question is becoming more high-profile in England?

Paul Murphy: It is one hell of a leg, actually, in terms of its size. That is the point; 85% of MPs, 85% of the population, and 85% of the resources spent on public services in the United Kingdom are English. The voices of Wales, Scotland and Northern Ireland, within that enormous big brother, have to be heard, because that is the strength of the Union. I am a unionist with a small "u"; I believe that the Union should be maintained, but it is best maintained by recognising the diversity of our countries and regions within the United Kingdom. A disproportionate loss in Wales of a quarter of our MPs in one fell swoop will, in my view, affect the efficacy and significance of the Union.

Mr Andrew Turner (Isle of Wight) (Con): Would the right hon. Gentleman not accept that it is not the size of England that matters, but the counties, shires and towns? They are very important, and they are not 85% of England.

Paul Murphy: No, I do not accept that for one second, because the Union is not an union of shires. The Union is a union of countries and regions: the Province of Northern Ireland, the old Kingdom of Scotland and the old Principality of Wales make up the Union, together with England. I will come to that in a second. The problem of England is difficult—I have no doubt about that—but the maintenance of proper representation, weighted differently for Scotland, Wales and Northern Ireland, helps to maintain that Union. I will come on to the issue of weight in a moment, because on the one hand the Government argue that there should be equal weight for Members of Parliament, but on the other, when we are elected, they argue that we have different weights in the House of Commons.

Paul Flynn (Newport West) (Lab): Does my right hon. Friend agree that the resounding yes vote in the recent referendum showed that the people of Wales have accepted devolution and are very happy for the Welsh Assembly to have more powers, and that the process is irreversible? Would it not be possible, if we are looking at a future system for the United Kingdom, to have a system that would embrace not only independent Parliaments in Wales and Scotland, but, possibly, a newly forged link with the Republic of Ireland?

Paul Murphy: Yes, indeed. I very much accept my hon. Friend's point about the result of the referendum. Devolution is unquestionably here to stay. People accept that devolution is the best way to deal with the issues in Wales, Scotland and Northern Ireland within the United Kingdom.

The issue that affects us at the moment, with regard to the West Lothian question, is the so-called English question—the question of English issues. Should Welsh, Scottish and Northern Irish MPs vote on what are termed to be specifically English issues in this place? I maintain that there are no such things as absolutely English issues. In the first instance, the money that comes to Scotland, Wales and Northern Ireland is decided by Parliament, which is overwhelmingly English—85% of MPs are English. I quote, for the convenience of hon. Members, the Kilbrandon commission, which met, as many will know, in the 1970s:

"any issue at Westminster involving expenditure of public money is of course of consequence to all parts of the UK, since it may affect the level of taxation and indirectly influences the level of a region's own expenditure".

Every time the Barnett formula is used, in each public spending round, the amount reached depends on the amount of money spent in England on public services that are devolved to the other countries. If health spending in England goes up, or education spending in England goes down, that has complete consequences for the budgets of Wales, Scotland and Northern Ireland. Financially, there is no such thing as an English issue—they are British issues.

Dr Sarah Wollaston (Totnes) (Con): On that point, would the right hon. Gentleman accept that English constituencies feel that there is great unfairness? We feel under-represented but over-taxed. For example, we wonder why we are subsidising university education for Scottish pupils, and free prescriptions.

Paul Murphy: The whole business of the devolution settlement is that devolved areas can decide what they spend their money on. It could equally be argued, incidentally, if one lived in north-east England, the midlands or the north-west, and if one were to divide England into regions, that certain regions do better than others. That is a matter not for today's debate, but for future financial policy. I merely say that when the Barnett formula is applied to Wales, Scotland and Northern Ireland, it is applied on the basis of whether spending in England goes up or down.

Mr David Hanson (Delyn) (Lab): May I add a further complication to my right hon. Friend's argument? He knows that I represent a Welsh border constituency. One third of my constituents use the Countess of Chester hospital in England; 400 of my constituents work at Vauxhall in Ellesmere Port, which is supported by the Department for Business, Innovation and Skills; Crewe station and the airports at Manchester and Liverpool serve my constituency; constituents go to Chester university and West Cheshire college. Am I not to have a vote or a voice on those things on behalf of my constituents?

Paul Murphy: My right hon. Friend wants a vote and will get it. He eloquently expressed my next point, which I will not make because he made it better than I could.

David T. C. Davies (Monmouth) (Con): I apologise for the fact that I have to leave in a moment to chair the Welsh Affairs Committee. I thank the right hon. Gentleman for giving me this opportunity to say, as a proud Welshman and a Unionist, and in support of my hon. Friend the Member for Totnes (Dr Wollaston), who made the very point that I wanted to make, that we cannot possibly have a situation where Welsh MPs can tell the English what to do with their health service and education, but English MPs cannot have any say over what goes on in Wales. Surely the answer for all Unionists across the United Kingdom is to give the English their own Parliament, with powers similar to those of the Welsh and Scottish Parliaments, and have some kind of a federal structure to deal with everything else that matters to the UK.

Paul Murphy: The issue of whether England, by which I mean English regions—I shall come to that in a second—should have its own regional governments is a different matter. That is, ultimately, the answer to the question. Incidentally, I say this to the hon. Gentleman, who is leaving: I recently read a quotation from a senior Conservative, who said in the 1960s, in a discussion on the West Lothian question—it was not called that at the time—that

"every Member of the House of Commons is equal with every other Member of the House of Commons."

That was Peter Thorneycroft, who was then the shadow Attorney-General. He was the Member of Parliament for Monmouth, so that will be of interest to this hon. Member for Monmouth (David T. C. Davies). His party had a different view of such things in those days, but I will come to that later.

My right hon. Friend the Member for Delyn (Mr Hanson) mentioned cross-border issues.

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): On that point, my constituents are in the opposite position to those of the right hon. Member for Delyn (Mr Hanson): they live in England, but many use

public services in Wales, in the constituency of my hon. Friend the Member for Monmouth (David T. C. Davies). Some of them live in England, and have their general practitioner in England, but are registered in Wales. They are subject to the Welsh national health service, the policies of which are set by the Welsh Assembly Government, but they have no democratic say at all about those policies.

Paul Murphy: Of course they do not, but they sometimes get the benefit. There was a time when people from the Minister's constituency were able to come to Chepstow to claim free prescriptions, although I believe that that has been stopped. I agree with him that cross-border matters are particularly complicated in our part of England and Wales. It is not quite the same on the Scottish border, because very few people live alongside it. However, on the Welsh border, in both the south and the north, to which my right hon. Friend the Member for Delyn referred, it is an issue, and the Minister also makes that point. If we start trying to disentangle all of this, we would get into an awful muddle as to who does what, and who votes on what.

Policies developed in England have implications for the rest of the United Kingdom. Look at student fees, for example. When we are elected, we are elected as MPs for our constituencies, but we are also elected to represent the UK as a whole. We represent the UK in the sense that we take decisions that affect the whole of the UK, not just our own constituencies. Also, who is to define what is an English issue? I rather fancy that that would put the Speaker of the House of Commons in a difficult position.

Mr Mark Field: The right hon. Gentleman has touched on the idea that perhaps we need to move, in time, towards some sort of federal structure, and I do not disagree with that, but the contributions made by my hon. Friend the Member for Totnes (Dr Wollaston) and the Minister go to the heart of the point, particularly on the health issue. Ultimately, it is a fiction that we have a national health service in the UK. Nothing could be further from the truth. We have four separate national health services, one for each of the four constituent parts of the UK. Therein is one of our key problems. Ultimately, we have to be a little more open with the public at large about how that structure operates. It is to a large extent inconsistent, as the right hon. Member for Torfaen (Paul Murphy) points out, but it is not enough simply for us to say that we put the UK's interests first.

There are issues around transport and policing in London on which I, as a London MP, have very little say, and I feel uneasy about that, to a certain extent. I feel uneasy about speaking on some of those issues, given the devolution to the London government. That is not an entire devolution, in the way that it is for the right hon. Gentleman; he does not represent a single person on health matters, because they have been entirely devolved to the Welsh Assembly.

Paul Murphy: But I do represent people on health matters because of decisions made by the British Government on health spending. As I said earlier, if they put spending up, that has a direct consequence for the people of Wales: their spending will go down. My right hon. Friend the Member for Delyn referred to cross-border implications; the English health service is important to Welsh Members because of those implications.

Let me say to the hon. Member for Cities of London and Westminster (Mr Field) that I voted on the Bill to set up the London authority. I also voted on issues that affected only Scotland before devolution, and all of us could vote on matters affecting Northern Ireland. There were times when those decisions were highly controversial, such as when the poll tax was introduced in Scotland. That was done on the basis of English MPs agreeing to it, but we had to accept that the principle of British MPs voting on British issues was still important, however disagreeable we thought it might be.

Northern Ireland is a good example, because it had its own devolved system from the early '20s to the '60s. The Stormont Parliament dealt with all the issues for which it was responsible—education, health and so on—but Northern Ireland MPs still had a say and a vote on matters that affected England, Scotland and Wales. Indeed, it was when Harold Wilson complained in the '60s that although steel nationalisation was not a matter that affected Northern Ireland, Northern Ireland Members were voting on it, that the Conservative party pointed out that all Members in the House of Commons were equal, in terms of their constitutional rights.

Another problem is that of creating two classes of MPs. I quote again from Kilbrandon:

"in our view, therefore, all Members of Parliament, whether or not they come from regions with their own legislative assemblies, must have the same rights of participation in the business of the House of Commons".

No European country has two-tier MPs. The nearest country to us in terms of asymmetrical devolution is Spain. I asked the Library to have a look at that situation, and it assured me that all Spanish MPs have exactly the same rights in their Parliament as we do in ours, despite the fact that virtually every aspect of domestic policy is heavily devolved to parts of Spain such as the Basque country and Catalonia.

There would be a problem—the hon. Member for Monmouth has left—if we were to accept two classes of MPs, and if Welsh Members could not vote on English issues, whatever they might be. The UK Parliament is in danger of becoming an English Parliament, and that is very dangerous. What about the House of Lords? This has never been an issue, but it may vote on anything, including matters on which Welsh Members of Parliament could not.

The biggest single issue, however, is that when I vote, as a citizen of the United Kingdom who happens to live in Wales, I vote on the policies of the parties as they affect the United Kingdom, but as a Welsh Member of Parliament, I vote on issues that affect, for example, the English health service. That happens in Scotland. All that cannot be disentangled. What would happen if there were restrictions on Members of Parliament and a Government could not carry a majority on English issues, but could on United Kingdom issues? When a potential Prime Minister goes to the palace, having won a United Kingdom general election, does the Queen ask whether they have a majority in England? That is the problem, because there would be a constitutional mess that we have never previously experienced.

Roger Williams (Brecon and Radnorshire) (LD): I am listening to the right hon. Gentleman's argument with great attention, and agree with much of it, but the key issue is that the real change in governance in Wales

[Roger Williams]

was voted on by the whole House of Commons, including all English MPs, and they presumably understood the implications of the decision.

Paul Murphy: Presumably they did, but when English, Scottish and Northern Ireland Members of Parliament voted for the Welsh settlement, they voted for something that was put to the people in 1997: first, that there would be a devolved Assembly; secondly, that there would be the same number of Members of Parliament; and, thirdly, the issue of whether Welsh Members of Parliament were not able to vote on certain issues in the House of Commons was specifically excluded. People in Wales, Scotland and indeed Northern Ireland voted in referendums that in no way denigrated the power or responsibilities of their Member of Parliament.

Richard Ottaway (Croydon South) (Con): I am listening with interest to the right hon. Gentleman, but he and other Welsh MPs underestimate the resentment in England that has been referred to, which is growing. I shall give one small example on the point that he was making. I forget the year of the legislation on tuition fees—it was in the late 1990s—but he knows as well as I do that English MPs voted against the introduction of tuition fees in England, and that Bill applied only to England. It came in only because of the votes of Scottish MPs—[Interruption.] It is true. I am sorry, but the majority of English MPs voted against tuition fees.

Paul Murphy: The argument could be made on other issues, such as the poll tax. People in Scotland, who were soon to have their Parliament, deeply resented that; it was something that they did not want. Another issue that caused resentment in Wales—I see no way out of it without English regional government—is the Olympics, which are being held in London. There is great dissatisfaction in Wales about the fact that a huge amount of money is being spent on something in London that has no impact on Wales.

Richard Ottaway: Londoners are paying extra council tax.

Paul Murphy: Whatever the rights or wrongs, a lot of money that would have come to Wales did not, because it went to the London Olympics. I am not saying that that is good or bad; I am merely pointing out that there was disagreement in Wales. That will always happen. It could be argued, for example, that the southern part of England during the 1960s and 1970s, and recently, voted for more Conservative MPs than Labour or Liberal Democrat MPs. They could feel aggrieved that their part of England has been done down by a Labour Government for whom they did not vote. That is the nature of the United Kingdom legislature, and we cannot change that.

Mr Mark Field: The right hon. Gentleman must accept that it was precisely that resentment in reverse that led to the devolution settlement. In the run-up to the 1997 election, his party recognised that 18 years of Conservative rule had dismayed many people in Scotland and Wales, and that is why we went down the devolution

route. He cannot have it both ways. That was an important part of the momentum that led to the devolution settlement that we have today.

Paul Murphy: I think that is probably right, and that was reflected in the referendum result in Wales. People preferred decisions affecting their lives to be taken in Cardiff instead of Westminster, but that was certainly not the only reason for devolution. Wales, Scotland and Northern Ireland wanted it for various reasons, and people voted accordingly.

At the end of the day, the Government changed their mind, and the Conservative party changed its mind over the years, partly because of such arguments. After all, the Conservatives have only one Member of Parliament in Scotland, eight in Wales and none in Northern Ireland. Is the Conservative party still a Unionist party? I sometimes doubt it. I also sometimes doubt whether, if there were a majority of Conservatives in Wales, Scotland and Northern Ireland, it would have the same appetite for change. I am sorry about that, because the Conservative party has a long and proud tradition in its own right of protecting the Union, but that is not so now. I sometimes wonder whether it would prefer Wales and Scotland to go their own ways. That would be a dangerous step, particularly in view of the Prime Minister's respect agenda for Scotland, Wales and Northern Ireland, although I am not convinced that that agenda would be respectful if the powers, responsibilities and duties of Welsh, Scottish and Northern Irish Members of Parliament were removed. I sincerely hope that the Government will rethink the issue, because it could imperil our constitution, weaken the Union, and do a great disservice to the people of Scotland, Wales and Northern Ireland.

9.56 am

Mr Mark Field (Cities of London and Westminster) (Con): I shall speak briefly, because I know that many other hon. Members want to contribute to the debate. I congratulate the right hon. Member for Torfaen (Paul Murphy) on securing it, because it is important, and such constitutional issues are close to all our hearts. There are no easy solutions.

A major issue would have blown up after the last general election—the right hon. Gentleman alluded to this—if the Conservatives had tried to form a minority Administration. The coalition now has 12 MPs in Scotland, whereas the Conservative party alone has only a single MP, and has won only three contests in total in the last four general elections. The West Lothian issue would have come much more to the fore, and perhaps that would have been good thing.

I hope that the Minister will say a little about what the Government are planning to do in this regard. The past nine months have been a period of substantial constitutional change, and I share many of the reservations on the Opposition Benches, as my voting record shows. I abstained on Second and Third Readings of the Parliamentary Voting and Constituencies Bill, but I voted against the Government on some occasions. I was uneasy about the Bill's being seen as slightly partisan along the lines that the right hon. Gentleman pointed out. I was one of three Conservative MPs who voted to retain the overall number of constituencies at 650, although I would try to equalise them, and we are now moving towards that.

We should consider the whole constitutional issue much more broadly, and it is regrettable that we are making significant changes to the House of Commons when we all know in our hearts that this rapid pace of change will not be represented in any of the changes that will be presented to the House of Lords. There is much speculation that the Deputy Prime Minister, particularly if the AV vote does not go the way he wants, will be given the House of Lords issue and rush ahead with it in the second half of the year. I think we all know that not only is there division in the House of Commons, there is probably rather less division that we would like in the House of Lords, and I suspect that many life peers on both sides will want to retain their position, and will stall on any fundamental reforms.

I shall explain what I would like, which is a pipe dream at the moment, but touches on solving some of the issues that the right hon. Gentleman pointed out.

Paul Flynn: The hon. Gentleman seems to measure his party's support in Wales and Scotland by the number of MPs it has. In two of the last four general elections, the Conservative party had 20% of the vote in Wales without a single MP. Would he not be better engaged in proving that first-past-the-post is a rotten, out-of-date electoral system, and campaigning for AV to obtain justice for his party?

Mr Field: However much the hon. Gentleman would like to tempt me in that direction, I will not go down that path as it does not apply to today's debate. However, he makes a serious point. In many ways, devolution was the saving of the Conservative party in Wales in the immediate aftermath of 1997, or at least after 1999 with the Welsh Assembly elections. We now have a stalwart group of Welsh MPs, roughly one quarter of whom are present today—that is until the boundaries change. *[Laughter.]* I will not be unkind to my colleagues. The Minister is blanching at the prospect of a cross-border Welsh-English seat if some people have their way.

Mr Harper: That is not possible.

Mr Field: Thankfully, I do not think it is possible with the legislation that has been carefully put into place.

I know that other hon. Members wish to speak, so I will say just a few words about what I consider would be the ideal situation. It is very much a pipe dream and an ideal. I agree with what my hon. Friend the Member for Monmouth (David T. C. Davies) said in his earlier contribution. We need to move towards the idea of an English Parliament. We do not need a whole lot more politicians—I hasten to add—but I would like to see all parts of the United Kingdom come under a federal umbrella, with identical powers for the Scottish, Welsh, Northern Irish and English Parliaments. There would also be the United Kingdom Parliament into which Members of the constituent parts would organise themselves on a pro rata basis. The United Kingdom Parliament would look at bigger strategic economic issues such as foreign affairs and defence. Many things that are already taken for granted in Wales and Scotland, such as policies on transport, health and a whole range of issues that are dealt with through the Assembly or the Scottish Parliament, would be tackled at national level. That is

important because a huge amount of resentment is building up in England about what is seen as an unfair arrangement. Having a Conservative-led Government has probably helped to assuage that in the short term, but I fear that sense of resentment will become stronger as we go forward.

Ian Lucas (Wrexham) (Lab): The hon. Gentleman presents a measured and characteristically sensible argument. Does he agree that England is a large country containing very disparate regions? I was born in the north-east of England, which in many respects has more in common with Wales than with Essex. Therefore, the type of targeted health policy that makes sense in Wales would not make sense in England because the needs of the various regions are so different that they could not be adequately dealt with by an English Parliament.

Mr Field: There may be something in what the hon. Gentleman says. I was describing my ideal, but I recognise the chief concern that, unlike any other federation, having a single group that contains 85% of the land mass or population, and its Members, would present some difficulties. The Federal Republic of Germany was set up as a post-war construct. Even after the reintegration of East Germany in 1990, there were essentially smaller units. There are particular areas of power—for example, Bavaria is strong due to historical factors and is a powerful Land, and North-Rhine Westphalia is the big industrial heartland, but even the smaller states have an important role to play. Safeguards exist in the United States of America in that each state has two Senate seats, irrespective of size. That means that states work closely together despite great disparities in size and economic power. I accept that point, but as the hon. Gentleman knows, coming from the north-east, there is not much love or great affinity between that region and the area of the United Kingdom immediately to the north. By the same token, when the people of the north-east had the opportunity some seven years ago to sign up for their own government, that move was overwhelmingly defeated. It had been anticipated that that region would have been the most likely to go down the route of a devolved English Government.

Chris Evans (Islwyn) (Lab/Co-op): I think the hon. Gentleman has hit the nail on the head. Does he agree that the major problems we have had with devolution are because we have never looked at it from a constitutional point of view? Perhaps there is an argument for some sort of written constitution with a Bill of Rights and a clear separation of powers.

Mr Field: There is very much an argument for that. It is not particularly a Conservative party idea, but I do not disagree with the hon. Gentleman. The nub of his point is correct. We have tended to look at devolution as a political settlement. In 1997, after 18 years of Conservative rule from which the Scots and Welsh felt disfranchised, political momentum allowed devolution to go ahead in a way that would not have happened 20 years earlier.

Chris Ruane: If the logic of the Conservative party—not necessarily the hon. Gentleman's point of view—is that Scottish, Welsh and Northern Irish MPs should not be allowed to vote on health and education issues that affect London, should that logic be carried forward to London MPs who have the Assembly?

Mr Field: I think it must be to an extent. As I have said, I feel slightly uneasy about issues of policing and transportation. In the dim and distant past when I was on the Front Bench of my party, I was asked to be a transport spokesman. Because of this issue I did not feel able to take up such a role, and I was offered something else instead. It is an issue, although it is a more byzantine and mixed situation. The Home Secretary still has overall control of London policing—

Chris Ruane: You wouldn't know it

Mr Field: One would not necessarily know it from articles in *The Daily Telegraph* from the past 24 hours, but it is a slightly more complicated situation and therein lies part of the difficulty.

I look forward to hearing what the Minister has to say about these issues. From my point of view—this is my individual point of view, rather than that of my party—it is regrettable that we have not looked at all issues concerning the constitution so as to try and obtain a relatively logical patchwork. I accept that historical analysis of such matters means that logic is often thrown out of the window. The worry is that we have moved ahead with breakneck speed in a way that will have a big impact on the House of Commons and affect our relationship with our constituents and within our countries. The House of Lords has not been part and parcel of that, and 117 peers have been added at the same time as we needed to reduce the size of the House of Commons on cost grounds. That is illogical. We may have considerably more peers given that the coalition agreement mentions equalising the proportion of peers for each party based on the vote at the last general election. That suggests there will be another couple of hundred peers, and some older Members of the House of Lords are very hacked off at the idea of not getting a seat in their own Chamber. It is regrettable that we have not looked at that matter, and I hope that as part of the West Lothian question, we will look at all those constitutional issues together and try to obtain a position for the whole constitution over the years to come, including an analysis of the separation of powers referred to by the hon. Member for Islwyn (Chris Evans).

10.7 am

Ian Lucas (Wrexham) (Lab): I am grateful to my right hon. Friend the Member for Torfaen (Paul Murphy) for securing this important debate. Despite the chuckles that I detected from Government Front Benchers, there has been a lack of opportunity to talk about these hugely important issues as they affect not only Wales, but the United Kingdom. The Parliamentary Voting System and Constituencies Act 2011 that we have just seen rammed through the Commons was entirely partisan in its composition. Crucially—this point was picked up by the hon. Member for Cities of London and Westminster (Mr Field)—it basically ignored the position of the House of Lords and dealt only with the House of Commons. In terms of a constitutional settlement that is a massive mistake, and these issues must be addressed. House of Lords reform will be on the political agenda, and it was a massive mistake not to consider that when looking at the number of MPs in Wales, Scotland, Northern Ireland and England.

The Conservative manifesto made no reference to removing the right of MPs from Wales to vote on matters relating to England. Characteristically, it made little reference to Wales and stated:

"Labour have refused to address the so-called 'West Lothian Question': the unfair situation of Scottish MPs voting on matters which are devolved. A Conservative government will introduce new rules so that legislation referring specifically to England, or to England and Wales, cannot be enacted without the consent of MPs representing constituencies of those countries."

That is the nub of the issue.

Since the general election, however, Ministers have taken a different tone. We have, of course, heard about the commission that will be set up to address the West Lothian question. The Minister has stated that the commission's work

"will need to take account of our proposals to reform the House of Lords to create a wholly or mainly elected second Chamber, the changes being made to the way this House does business and amendments to the devolution regimes, for example in the Scotland Bill presently before the House. We will make an announcement in the new year."—[*Official Report*, 15 December 2010; Vol. 520, c. 822W.]

It is very unfortunate that a major constitutional Bill has gone through the House of Commons before the commission has been set up. We do not know the detail of the commission and we all hope that we will hear something about that later today. It is very much to be regretted that the House of Lords and the House of Commons are not looked at together when this issue is considered.

There has been no substantive discussion that I am aware of with Members of Parliament from Wales of whatever party about the issue. It was absolutely disgraceful that the Secretary of State for Wales refused to engage in a debate in the Welsh Grand Committee about the number of Members of Parliament in Wales under the Parliamentary Voting System and Constituencies Act 2011. That showed extraordinary constitutional illiteracy, because the settlement that exists in the United Kingdom at this time is very complex. As we all know, it is partly written and partly unwritten and has been established as a result of centuries of history. It has been reached as a result of huge political events that have affected the islands that lie off Europe, including Ireland and, of course, Great Britain.

The changes that were put through, for what I believe were partisan political purposes, in the recent Bill changed that constitution without any real consent, and what was extraordinary in that context was the lack of involvement of Conservative MPs from Wales, who of course voted like turkeys approaching Christmas, but also took no substantive part in the debate. As a consequence, the views that had been recently expressed by members of the public in the general election in Wales were in effect excluded when the number of Members of Parliament in Wales was reduced by one quarter.

We all know that opportunities for Welsh Members of Parliament to discuss these matters were extremely limited if not non-existent in the Chamber. I think that I made a speech on Third Reading, but we did not get to the point of making any submissions on amendments because of the timetabling. As a consequence, there is a real sense of frustration among Members of Parliament from Wales about the matter.

The lesson that I learned is that the Conservative party has changed. My right hon. Friend the Member for Torfaen referred to the Kilbrandon review in the 1970s. There was a time when the Conservative party was the Conservative and Unionist party and did not simply represent the views of English MPs. Increasingly as I sit in the House of Commons now and listen to speeches from those on the Government Benches, I am learning—this has been evidenced again in today's debate—that the Conservative party does not speak for the United Kingdom any more. It speaks for England. It is not driven by any wish to reach out to the peoples of Scotland and Wales.

Chris Ruane: Would my hon. Friend extend that list to include the people of the northern cities of England—the north-west and the north-east?

Ian Lucas: For present purposes, I will resist that temptation because I am talking specifically about Scotland and Wales. We know that the Conservative party has done very badly in elections in Scotland since 1997 and still has only one Member of Parliament in Scotland, despite huge numbers of relaunches in that country. We know also that even last year, the share of the vote that the Conservative party secured in Wales when it ended up forming a Government with its friends the Liberal Democrats was less than it secured in 1992. It has not made the progress in Wales that it would have liked to make.

The lesson that I would have liked the Conservative party to learn from that is that it needs to reach out more to the peoples of Scotland and Wales than it has done. My view is that it has done exactly the opposite. It has withdrawn from the battlefield. We saw, for example, that the Secretary of State for Wales did not feel able to make her position clear on the recent referendum in Wales before it took place. The Prime Minister is in effect treating Scotland and Wales at the moment as a franchise—something that is given over to someone else and that does not really affect the person who gives it over. It is the political equivalent of SUBWAY.

Mr Mark Field: The hon. Gentleman, in an otherwise thoughtful speech, is being a little unfair to the Conservatives in Wales. Clearly, since 1859 we have been a minority party in Wales. As the hon. Member for Newport West (Paul Flynn) pointed out, we got 20% of the vote even in 1997. However, it is fair to say that the Conservative group in the Welsh Assembly has worked very hard to make the Assembly work. Obviously, there has not always been agreement, because it has spent the past 12 years in one form of Opposition or another. None the less, it has made it work. The Welsh Conservative party is not only doing its best to make the Welsh Assembly work, but playing a very important part in the whole polity of Wales within the United Kingdom, so the hon. Gentleman's criticism is rather unfair.

Ian Lucas: As always, the hon. Gentleman makes a very interesting point. The Welsh Conservative party may be seeking to take matters forward as far as devolution is concerned. For example, the Conservative group in the National Assembly for Wales felt able to support the recent referendum. However, the key point is that the Prime Minister of the United Kingdom did not feel able to support the Conservative group in the National

Assembly for Wales. The Secretary of State for Wales did not feel able to support the Conservative group in the—

Mr Field rose—

Ian Lucas: Give me a moment. The Secretary of State for Wales did not feel able to support the position of the members of the Conservative group in the National Assembly for Wales. That is why they are a franchise. They are out in the wilderness as far as the national Conservative party is concerned. They are of no concern to the Conservative party based at Westminster, because that party does not take heed of any of the MPs from Wales who represent it.

Simon Hart (Carmarthen West and South Pembrokeshire) (Con) *rose—*

Ian Lucas: I will give way to one of them now.

Simon Hart: Although it slightly pains me to say this, will the hon. Gentleman not accept that if he applied the 2010 election result to a political map that took account of equalisation, he would not be able to make the comments that he is making about the irrelevance of the Welsh Conservatives? We would have had a far more realistic result as a consequence, which would have forbidden him from making those slightly inaccurate comments.

Ian Lucas: I do not think that my comments are inaccurate at all. My concern is that we now have one political party that is committed to the Union and to devolution within that Union—the Labour party. The Liberal Democrats are in effect—[*Interruption.*] They are an irrelevance, as has been indicated from across the Chamber.

Of course, we have nationalist parties, but the Conservative party no longer seeks to reach out to the people of Wales and Scotland. I never thought I would say this, but that pains me. The Conservative party should speak up for the United Kingdom, and it is a great shame that that no longer happens.

Mr Gregory Campbell (East Londonderry) (DUP): Does the hon. Gentleman agree that the United Kingdom's cohesion and unity might be helped just a little if the Prime Minister made more visits to the countries of the UK—Scotland, Wales and Northern Ireland? He has not been to Northern Ireland since the general election.

Ian Lucas: I must confess that I am extremely surprised by that. I agree entirely.

Whatever constitutional arrangements these isles—Ireland and Great Britain—settle on, the lesson of the past hundreds of years is that we must have constitutional arrangements that work. We have an opportunity to have a measured, non-partisan debate about the UK's constitutional arrangements. Bearing in mind the constitutional changes that have happened since 1997, there is a strong case for some kind of written settlement. There was a time when I would never have believed that I would say that, but the current flux in devolution settlements needs to be resolved so that the devolved institutions can focus on policy delivery, which is what

[*Ian Lucas*]

our constituents are mainly interested in, rather than on constitutional settlements. I would therefore like to see non-partisan engagement by the Government—that has not happened to date, which I am very sorry about—on issues relating to the House of Commons and the House of Lords.

The answer to the West Lothian question, if there is one, lies in regional government in England, and I speak with some knowledge of the north-east. One major reason why the devolution proposals were passed in 1997—the hon. Member for Cities of London and Westminster was correct about this—was that there had been 18 years of Conservative Government. I am not sure that devolution would have happened if there had been a Labour Government in the period before 1997. One major reason why the north-east voted not to have an assembly was that people took the view that they had a Labour Government in London so they did not need an assembly in the north-east. If we asked people today whether they would like protection like that offered by the National Assembly for Wales extended to the north-east of England, we might get a very different answer.

The issue of regional government will come back. If we are to have a devolved settlement in the United Kingdom—we must not forget that there is a devolved institution in London—we will revisit the issue of regional government in England in due course. I know that that is unpopular among Conservative Members, but they should consider the point raised by my hon. Friend the Member for Vale of Clwyd (Chris Ruane), who noted that the Conservatives are still weak in areas in the north of the country, which is probably why they did not win the general election last year.

These are massive issues, and politicians have struggled with them not only in the past few years, but in the centuries before—as we all know, “one in, one out” defeated Gladstone. My right hon. Friend the Member for Torfaen is a wise man, and when he says that having two classes of MP will lead to the break-up of the UK, the Minister should listen. He should speak to the Secretary of State for Wales, who should start to listen to MPs from Wales; that might help her start doing a better job.

10.24 am

Mr Wayne David (Caerphilly) (Lab): I shall make two brief points, which have crossed my mind recently, largely because of my experience as a Minister in the Wales Office for the best part of two years in the previous Government.

The first point is that the devolution settlement is far from straightforward. It is not neat; as we say in Wales, it is not tidy. Reference has been made to the block grant, which goes exclusively from Westminster to the Assembly. The assumption is that health and education are devolved matters and are nothing to do with England, but things are not quite that straightforward. For example, even after the referendum, which gave the Assembly legislative powers in clearly defined areas, we still have English and Welsh legislation on health and education, and it is still possible to put forward Welsh clauses with the support of the UK Government.

We in Wales are also mindful of the fact that we have a large border with England. One thing that continually struck me in the Wales Office was the time devoted, quite rightly, to cross-border issues. Offa's Dyke is not that significant or that high, and our border is more apparent than real in many ways. Cross-border issues will therefore always be significant for the UK Government in Westminster and the Welsh Assembly.

It is also important to recognise that devolution is very asymmetrical in the UK as a whole and in Wales and England. Wales is relatively small compared with England, and what happens in England inevitably has a tremendous influence on Wales. We see that even on issues that are primarily devolved, such as health and education. The debate on higher education in Wales cannot be conducted in isolation from what is happening in England, as we have seen recently. That reality cannot be denied and it will not go away.

Much, but not all, of the responsibility for the environment is devolved to the Welsh Assembly; for example, the Environment Agency in Wales is still responsible to the UK Government. That complex interface is a reality, and parliamentary processes must take account of that. Another example is the economy. Certain aspects of micro-economic intervention are devolved, but macro policy is not devolved at all. Again, what happens at a UK level has a huge impact on the Welsh economy. My first point, therefore, relates to the sheer complexity of the devolution settlement, which has not been fundamentally altered by the recent referendum result.

My second point is that devolution has certain unintended consequences. One is the frequent assumption in Whitehall and Westminster that the devolution of powers to Wales goes much further than it actually does. For example, when I was in the Wales Office, I was continually struck in the discussions that were necessary with the Home Office by what people thought the devolution settlement meant for Wales. Despite the excellent efforts of my right hon. Friend the Member for Delyn (Mr Hanson), who was a Home Office Minister, the assumption—primarily among civil servants—was often that the Home Office did not need to bother with Wales any more, because Wales had an Assembly. The incorrect assumption was that Home Office responsibilities, including for policing, were devolved, but that is not the case. It is important to recognise that.

Following on from that, the Home Office had a tendency, which had to be corrected time and again—it is still there, but I fear that it is not being corrected—to make policy as though it applied only to England and not to Wales. Little consideration was given to how the relationship with the Welsh Assembly should develop over the foreseeable future, and there was little understanding of the particular needs of Wales. The assumption was that Wales had an Assembly so the Home Office did not have to concern itself with Wales. That is wrong, and something of which we must be mindful. That leads me to the conclusion that it is important for Welsh MPs not to be confined to certain areas, but to continue to have an influence on all legislation relating to England and Wales. Two categories of MPs would be intrinsically wrong. It would be bad for Wales and also for England.

Mr Hanson: Is it not also important, therefore, that MPs representing constituencies in England use the facilities of the Wales Office—where my hon. Friend once worked, as I did 10 years ago with my right hon. Friend the Member for Torfaen (Paul Murphy)—to raise Welsh issues through the Secretary of State for Wales's office?

Mr David: Yes, I think that is very important. It is necessary, in this complex mosaic of devolution in Britain, that we have a series of different relationships. Quite often the representation of English MPs to the Wales Office is indeed important. One concern I have is the lack of proactivity from the Wales Office. Increasingly people are asking—

Chris Ruane: Where is the Secretary of State?

Mr David: Yes, where is she, and what is the point of the Wales Office? The Wales Office has a point; there is a need for a Secretary of State for Wales, but he or she has a job to do. That job needs to be promoted effectively, which is not being done at the moment.

I want to pick up something said by my hon. Friend the Member for Wrexham (Ian Lucas). As someone who passionately believes in devolution—as power should rest close to the people—and who believes in Wales and the United Kingdom, my concern is that there is almost an unholy alliance, an inadvertent alliance, between Welsh nationalism and the Conservative party. Although they might sometimes be pulling in different directions, the common ground is the break-up of the United Kingdom. The Conservative party is becoming an English party. That worries me intensely. It goes against the whole grain of history. Nevertheless, it is becoming an objective truth.

Mr Mark Field: The fact is we have eight seats; the Conservative party is the second party in Wales. As the hon. Gentleman will know, only two years ago, we got more votes in the European election than the Labour party, for the first time in living memory. I do not think that there is any sense that the Welsh Conservative party wants to break away. In many ways we are very committed to the United Kingdom and to Wales.

Mr David: Yes, but my hon. Friend the Member for Wrexham made the important point that it spoke volumes when the Secretary of State for Wales had no opinion in the recent referendum. That shows the attitude of the Conservative party towards Wales. At the very least, it is not interested. It does not want to know.

That brings me to the last point I wish to make. It is extremely important to have this England and Wales debate and to recognise that the United Kingdom has particularities, but there are also many things that unite us.

10.33 am

Owen Smith (Pontypridd) (Lab): I cannot resist starting my contribution by responding to the extraordinary revelation by the hon. Member for East Londonderry (Mr Campbell) that the Prime Minister has not yet been to Northern Ireland. Perhaps that pays tribute and is testimony to the excellent work done by my former right hon. Friend Tony Blair in securing a lasting peace

in Northern Ireland. Of course, many hon. Members worked over many years, if not generations, to secure that.

The debate on this question has run long in the House. I arrived only 10 months ago but, as a Welsh Member and historian, the debate was familiar and dear to my heart. However, I did not imagine that the debate would raise its head again so quickly, and would gather this degree of momentum, within a few short months of my arrival. The phrase “the West Lothian question”, coined by Tam Dalyell, has been around since the 1970s, but the question has been around a lot longer. It was inherent in Gladstone's first Home Rule Bill in 1886. The lack of representation for Irish Members addressed by that Bill was effectively the first instance that the West Lothian question was raised in legislative terms. That prompts the question why it has not been satisfactorily addressed. We can all see that there are issues relating to representation across the nations and regions of the UK.

Why has it not been addressed? Why has it been placed so often in the “too difficult” box? Is it that those issues are so fiendishly difficult that we cannot possibly address them, or that they are insoluble? I think it is not a cop-out that it has not been addressed. In some respects it is a reflection of the intelligence of this legislature, this House, in realising that certain things—given our unwritten constitution and the historical evolution of our Parliament and representation—will be imperfect, asymmetrical and untidy. To interfere with those things and seek a perfect solution is, in my view, misguided, unrepresentative of the historical evolution of our country and fundamentally problematic. I believe many hon. Members would share the view that an undesirable consequence would be the break-up, the disaggregation of Britain.

As we have heard, asymmetry is a key feature of our settlement in the UK. That should not unduly concern us, as it has been a feature of our country and others for a long period. All of our nation states in pre-modern Europe were fundamentally asymmetrical, in the nature of the division of power between legislatures, Churches and other aspects of the state. Post-Union in 1707 there has always been asymmetry. The first representation from Scotland after the Act of Union was fundamentally asymmetrical and predicated not on populations but on the relative contribution to the Exchequer of the Scots versus the English. We have subsequently moved to a position based more on relativities in respect of population, and have now taken it to its conclusion in the partisan Parliamentary Voting System and Constituencies Bill. After the next election it will be based on relative population size, and that solves lots of the issues.

Chris Bryant (Rhondda) (Lab): It will be based not on population but on the number of registered electors. We will be the only country in the world doing it on that basis.

Owen Smith: That is of course right. I was using shorthand and have fallen into the trap set by the Minister in so many of those debates, even when we did not get to the Welsh clauses.

Asymmetry also exists in other countries. Canada has an asymmetrical system of devolution, as has Spain. One could argue that *de facto* we have a federal system

[Owen Smith]

of sorts, a unique British federal system, but it is certainly asymmetrical. Why is the issue raising its head? Why are we so worried about it now? It has never been true that any individual Government have held a majority purely predicated on the basis of Scottish and Welsh votes. There can be no concern that political imbalances arrive by virtue of there being more Scottish Members, or having misrepresentation from Wales and Scotland. That issue has ostensibly been dealt with by the Government. I fear the headlong rush is due to opportunity, momentum and a partisan view from the Government. There is a sense that the iron is hot, the moment is right for the Tories to strike and secure electoral advantage. That underpins the decisions taken in respect of the constituencies Bill, and I fear it is driving the considerations we are looking at today.

It would be foolhardy to pursue that. History tells us that inevitably not just in this country but others, when constitutional reforms are pursued for electoral reasons and the partisan politics of one party, they fail.

Chris Ruane: Would my hon. Friend compare and contrast the constitutional changes that came about in Scotland, where they had a convention involving civic society, the Churches and the trade unions for many years before that important decision was made?

Owen Smith: That is an important point. My hon. Friend the Member for Wrexham (Ian Lucas) was extremely eloquent in making a persuasive case that we should be worried about pursuing constitutional changes of this magnitude—[*Interruption.*] On the back of an envelope, as we heard. These are deep-rooted issues, and they require deep consideration. They should not be treated in this fashion.

We have heard a lot today about resentment in the English shires, and that is a worrying position for the Tory party. It is a little Englander position. The party has spoken on a broader canvas for the whole of its history. It should reflect on that and offer leadership to the country. It should not be driven by English nationalism.

10.40 am

Chris Bryant (Rhondda) (Lab): It is always a pleasure to speak under your chairmanship, Mr Caton. I congratulate my right hon. Friend the Member for Torfaen (Paul Murphy) on securing this debate.

It is particularly interesting that the West Lothian question is being debated without the benefit of advice from Scottish Members of Parliament. The Liberal Democrats were here briefly, and three Conservative Members joined the debate briefly and then left. The level of passion and excitement that some Conservative Members say that there is on the subject is not quite as evident as they suggest. It is interesting that it took a Welsh Member of Parliament to bring the matter before the House. I also congratulate my hon. Friends the Members for Wrexham (Ian Lucas), for Caerphilly (Mr David), and for Pontypridd (Owen Smith) on their important contributions to the debate.

Although many people think that Welsh MPs have been attending Parliament since 1542, it is worth bearing in mind that Wales had representation before then—but

only in the shape of four bishops, who attended from the very first Parliament. In 1327, 24 Members of Parliament from north Wales were invited to attend, but only from the north. They were to attend the Parliament that was meant to depose Edward II, but because Isabella thought that they might vote the wrong way, half of them were arrested and kept in captivity. They were not allowed to attend Parliament, which seems to be rather the sort of attitude that the Government now hope to advance. As we have heard, Scottish MPs arrived in 1707 and Irish MPs in 1801, although with the creation of the Irish Free State the number changed.

Two contradictory political forces are at work, not only in British politics but elsewhere in the world. The first is globalisation, in that every street has the same sort of shops, we all see the same images on television and, broadly speaking, everyone has similar experiences. As a result, people regularly say that they do not want a postcode lottery. They resent the fact that one town may be able to get a drug on the NHS that is not available in other parts of the country. We were reminded earlier that tuition fees are not being imposed in Wales because of the decision by Welsh Assembly Government, but that they are being hiked up to £9,000 in England. The second is this: people resent the postcode lottery, but at the same time a passionate desire is pulling in the other direction; people want much more local decision making, and want to be able to decide what happens to the configuration of local services. In the end, one of the biggest problems is the pushmi-pullyu force that we are seeing in British politics.

I admit that there is concern in England about what seems to be the unfairness of Welsh, Scottish and Northern Irish Members being able to vote on matters that substantially affect England, but English Members not being able to vote on matters that affect only Wales, Scotland or Northern Ireland. I say to those who want to go down the route of change that that is a meretricious argument. In this context, all that glitters is not gold. For a start, it is difficult to decide precisely what is England-only legislation.

The Minister will know that I have used this example before, but it is an important one. The Health Act 2006 was going to introduce a ban on smoking in public places, among other things. When it was being debated, I remember saying to a Welsh group of Labour MPs and then in the Chamber that if we voted in a particular way it would mean that clubs and pubs in Wales would not have the opportunity to make special rooms available for smokers. Everybody disagreed with me; the Clerks disagreed, and the Speaker disagreed, but in the end I was proved right. That is a problem when trying to advance legislation; all too often, the complexity with which it is drafted means that it may seem to be an England-only matter when, in truth, there is a real debate to be had. As my right hon. Friend the Member for Torfaen said, if the Speaker decided what was England-only legislation, there would be a danger of bringing the Speaker into party political debate—into debating the substance of how to advance the legislation.

We could instead choose another route, and multiply the number of Bills. However, when drafting, we would have to be rigorous in ensuring that we never allowed a single clause that related to Wales or Scotland, or that had financial implications of any kind. To take up the point made by my right hon. Friend the Member for

Torfaen, any financial implication is an implication for the whole of the UK, so any legislation with financial implications must by definition be UK legislation. If we wanted to draft legislation solely for England, we would have to have extra Bills that were Wales-only, Scotland-only and Northern Ireland-only. The multiplication in that process would be a real problem.

Mr Mark Field *rose*—

Chris Bryant: I shall give way, but I hope that the hon. Gentleman will be quick.

Mr Field: The core concern for many English voters is this: the hon. Gentleman referred to health, but he does not speak for any of his constituents in Rhondda on the subject because health is a devolved matter, yet he is able to influence decisions that are made throughout England. Health, of course, is a particularly incendiary problem because of the whole idea of a national health service. The concern of many English voters is not so much that people in Wales have the opportunity for a broader range of services and free prescriptions, but the perception that English taxpayers are footing the bill.

Chris Bryant: I know that the hon. Gentleman is a fair man, so I hope that he will explain to his constituents that it is not quite as simple as that. I know that the vast majority of our constituents could not describe the present constitutional settlement. As a result of devolution, they could not say who is in charge of policing, or who is in charge of this, that or the other element of environmental policy. A case in point is that the terms and conditions of GPs are not a devolved responsibility. When decisions are made about what GPs do in England, Welsh Members have to be able to vote because implications for Wales will follow from them. If the Speaker had to decide that Welsh Members could not speak in a debate, there would be a terrible row. That would be a problem.

Ian Lucas: Will my hon. Friend give way?

Chris Bryant: If my hon. Friend will forgive me, I have a few more points to make. We could see a vast multiplication in the number of Bills, with many more Second Readings of minor Bills that affected only specific parts of the country. I suppose one could then say that if a piece of legislation was not on a devolved matter but affected only Wales, only Welsh MPs should be able to vote on it. That is the logic of the argument of those who say that English legislation should be voted on only by English MPs. The danger is the effect on Government; a complicated Venn diagram would be needed to show who are the Government on any particular subject. We would have England-only legislation; England and Wales-only legislation; England, Wales and Scotland legislation; and England, Wales, Scotland, and Northern Ireland legislation, and a different set of people would be voting on each sort. There would be at least five versions of the Government of the United Kingdom. That is potentially problematic and could be dangerous.

My right hon. Friend the Member for Torfaen wisely referred to Welsh peers. Would one suddenly decide that Welsh peers should not be able to vote? How does one decide what constitutes a Welsh peer? It is difficult enough deciding what nationality the Secretary of State for Wales is. At a recent reception held at the Foreign

Office, I gather that the Secretary of State for Wales made a little speech. As the Bahraini ambassador was saying thank you, he said, "It's great finally to discover, Cheryl, after all the years that I've known you, that you're Welsh"—and he is a diplomat.

Mr Harper: She is Welsh.

Chris Bryant: She was not clear about it until she became Secretary of State for Wales. The final point is the effect on Parliament. There have been times when there have been different categories of Members of Parliament. In particular, the burgesses and knights of the 13th century occasionally sat separately because they were able to secure different grants from the Crown. However, that has not happened since the 13th century. As my right hon. Friend the Member for Torfaen said—others have alluded to this—no other country in the world has different categories of Members of Parliament. The confusion and difficulty that such a system would lead to would be very dramatic.

The Government have said that they will set up a commission to consider the issue. I hope that that commission will be as interesting as the one that was set up in relation to the Human Rights Act 1998. Many of us would like to buy tickets to sit in and watch those meetings, as there are people on it with completely and utterly diametrically opposed views. When the Minister clarifies what he is doing about the commission, which the Secretary of State for Wales has said will be in place by the end of this year, I hope that he will assure us that people with diametrically opposed views will be on it, so that we see absolutely no progress on the matter.

10.50 am

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): As ever, it is a pleasure to serve under your chairmanship, Mr Caton. I congratulate the right hon. Member for Torfaen (Paul Murphy) on securing the debate, as it allows us to kick around some of the issues. However, the debate was, as I suspected it would be when I saw the cast of characters in front of me, a little repetitious of the debate that we had on the Parliamentary Voting System and Constituencies Act 2011. Perhaps that does not apply to the right hon. Gentleman, but it certainly does to one or two others.

The history of the issue goes back a long way. I will not repeat it, as the hon. Member for Pontypridd (Owen Smith) did at least mention Scotland; he referred to the origins of the West Lothian question, and the fact that the phrase was coined by the then Member of Parliament for that constituency. Given the cast of characters here today, and the fact that Wales is so well represented, I am tempted to use the description that my right hon. Friend, the very excellent Secretary of State for Wales, has sometimes used, and to call it the West Clwydian question.

I should just say to the hon. Member for Rhondda (Chris Bryant) that my hon. Friends the Members for Monmouth (David T. C. Davies), and for Totnes (Dr Wollaston), had said that they were not able to stay for the whole debate because they were serving on Select Committees. My hon. Friend the Member for Totnes is on the Health Committee, and my hon. Friend the Member for Monmouth does an excellent job chairing the Welsh Affairs Committee.

Chris Bryant: How do you know?

Mr Harper: I hear reports of his excellent chairmanship. The right hon. Member for Torfaen talked about the commission, and I will come to that at the end of my remarks. A number of Members talked about the settlement that we reached in the Parliamentary Voting System and Constituencies Act 2011. As I have said many times, it was not partisan; it was about treating every single part of the United Kingdom in the same way to ensure that each had the exact number of seats for the number of electors they have. There were many who said that because of devolution, we should ensure that Scotland, Wales and Northern Ireland had fewer seats in this House per head of the electorate, but that was something that the Government did not want to do; we wanted to ensure that we treated each part of the United Kingdom—Wales, Scotland, Northern Ireland and England—in exactly the same way, and that is what we have done in legislation. We have been very fair and even-handed.

The right hon. Gentleman talked about the Welsh Grand Committee. He should be aware that the hon. Member for Rhondda thinks that the Welsh Grand Committee is a Welsh grandstanding Committee. When we were debating the Legislation (Territorial Extent) Bill in the House of Commons, the hon. Member for Rhondda said:

"The truth is that, all too often, the Welsh Grand Committee has been a pretty futile body."—[*Official Report*, 11 February 2011; Vol. 523, c. 638.]

Given that that is the view of Labour's official spokesman, I am amazed that hon. Members made so much fuss about whether the Welsh Grand Committee could discuss the Parliamentary Voting System and Constituencies Act 2011. I drew the remarks of the hon. Member for Rhondda to the attention of the Secretary of State, and very interesting she found them.

Ian Lucas: The point is simply that Welsh MPs did not have the opportunity to discuss the issues, or any of the amendments, in the main Chamber. It would not have been difficult for the Secretary of State for Wales to have allowed a Welsh Grand Committee to take place, so that we could discuss the issues.

Mr Harper: I sat through all the debates on the 2011 Act, and of the 40 MPs who spoke on Second Reading, a large number were Welsh Members of Parliament. Although we did not have as long to spend on the groups of amendments as we would have liked, we spent a long time talking about the Bill and its effects on Wales. Welsh MPs spoke for a great deal of time, and I had tremendous pleasure in listening to the arguments that they put forward.

My hon. Friend the Member for Cities of London and Westminster (Mr Field) drew our attention to the over-representation of Wales. That is something that many people in England—not Conservative Members of Parliament but members of the public in England—resented, and we sorted that out in the 2011 Act. We have dealt with every member of the United Kingdom in exactly the same way and treated every part fairly.

Chris Bryant rose—

Chris Evans rose—

Mr Harper: I will not give way, because I have only five minutes to deal with all the issues that have been raised. The right hon. Member for Delyn (Mr Hanson), who is no longer in his place, referred to the fact that a number of his constituents living in Wales use English public services. He said that he should have a say in those services. The point that I made in my intervention was that many of my constituents have to use public services, such as the health service, in Wales. They have no say over how those are set up, because those policy decisions are made by the Welsh Assembly Government.

Mr David: Does the Minister not recognise that an extremely important cross-border protocol is in place, which directly influences what happens in Wales and England?

Mr Harper: In my experience as a constituency MP, the protocol does not work well. The cross-border issues, which, as the right hon. Member for Torfaen said, are much more important between England and Wales than they are between England and Scotland because of the way in which the population is distributed, were not very well thought through when the devolution settlement was arrived at. Many things do not work very well across borders. The experience of my constituents is that the English-Welsh border has become more of a real barrier since devolution than it was before. The hon. Member for Brecon and Radnorshire (Roger Williams) referred to that issue when he asked whether English MPs knew what they were voting for. I am not sure that they did, because the cross-border issues were not very well thought through.

The right hon. Member for Torfaen asked—at least he was fair enough to ask the question; one or two other Members put it as a statement—whether the Conservative party was still a Unionist party. It absolutely is; it is the Conservative and Unionist party. We were the only party that contested seats in all four parts of the United Kingdom. It is fair to say that our experience of contesting seats in Northern Ireland did not go as well as we had hoped, but we did contest seats in all four parts. We are a Unionist party, and we want to keep the Union together. Indeed, that is why we want to tackle the West Lothian question. Some commentators believe that any threat or damage to the United Kingdom would stem from the resentment of English voters—not MPs—so it is important to deal with the issues to keep the United Kingdom together.

My hon. Friend the Member for Cities of London and Westminster pointed out what would happen if we had a United Kingdom Government who did not have a majority in England but insisted on governing as if they did. Given that we have a devolution settlement in Wales and Scotland, the resentment that would ensue could have the effect that the right hon. Member for Torfaen fears.

This debate shows the complexity of the issue. A number of Members leapt into potential solutions, mainly focusing on what the Conservative party had set out before the election. Of course, the two coalition parties come at the issue from different angles. Unusually, my hon. Friend the Member for Cities of London and Westminster may find the Liberal Democrat federal solution more to his liking. The Conservative party had a different approach. Our agreed solution is to get the

commission to examine the issue so that we can try to reach a thoughtful and sensible conclusion. We are thinking about the composition, scope and remit of that commission. Once we have finished setting that out, we will announce it to the House.

Chris Bryant: This year?

Mr Harper: Yes, this year. I have experience of setting up such a commission; in a written statement, I announced the very excellent commission on a Bill of Rights, which has a very well-qualified team of people. It will make considerable progress on that issue and on reform of the European Court.

We will announce the composition of the commission. The right hon. Member for Torfaen referred to the importance of the House of Lords; we will shortly publish our proposals and a draft Bill on House of Lords reform. Once they are published, we will set out our plans for the commission on the West Lothian question. This was an important debate that highlighted the complexities and challenges of the problem, and for that the right hon. Gentleman should be thanked.

Financial Services (Rural Communities)

11 am

Roger Williams (Brecon and Radnorshire) (LD): I am very pleased to have the opportunity to bring this matter to Westminster Hall today. I can understand why the Minister might be a little reluctant to interfere in it, because presumably he would not want to micro-manage the affairs of many of our financial institutions. However, I may be able to suggest one or two ways in which the Government could have influence in the matter and ensure, by working with communities, that financial services and advice on financial matters are available to our communities.

Looking around Westminster Hall at the Members present, I wonder if the fact that my name is associated with this debate means that people think that it is a Welsh issue, but of course it is not. It is very much a reserved matter and one for the Westminster Parliament and the UK Government.

I was very lucky to secure this debate almost immediately after applying for it. Sometimes hon. Members apply for debates over a long period without securing them, but as soon as I applied for this debate I was very fortunate to receive the opportunity to have it.

The reason that I put in for the debate is the worrying trend of high street bank branch closures in rural areas. According to the Campaign for Community Banking Services, in the past 20 years 7,388 bank branches have closed and most of those closures have been in rural or suburban areas. The CCBS estimates that, in Wales alone, 56 communities are left with just one bank each.

I will use an example from my own constituency—hon. Members will understand that often these debates are initiated or spurred on by Members' experience in their own constituencies. For the past six months in my constituency, the local Welsh Assembly Member, Kirsty Williams, and I have been trying to save a branch of Barclays bank in the small market town of Rhayader. Rhayader has a population of approximately 2,000 people, with many more people living in its rural hinterland and catchment area. Members present will understand that Rhayader is a marvellous market town in the Cambrian mountains, very close to the Elan valley. More than 100 years ago, the Birmingham Corporation built dams in that valley to provide water for the wonderful city of Birmingham. The Elan valley has now become a tourist area, along with other attractions in the Cambrian mountains.

Unfortunately, Barclays refused to keep its branch in Rhayader open and the people of the town are now served by a solitary HSBC branch, which is open for a total of 18 hours each week, between 9.30 am and 3.30 pm on Mondays, Wednesdays and Fridays. The Barclays branch in Rhayader closed last Friday and already the building is being gutted, the "For Sale" sign is up and the cash point, which was a very valued facility for the town, has a sheet of plyboard across it. There is no more money to be had from the ATM in Barclays in Rhayader.

There is some strength in Barclays' argument and I understand its argument. Barclays argues that the people who used the branch in Rhayader were not buying enough of its financial services and financial products to make the operation of the branch profitable. However,

[Roger Williams]

there is another argument that many of those people who used the branch actually bought services from Barclays in the past. They had their mortgages, pensions, saving products and general insurance from the bank and the fact that many of them have paid off their mortgage or are now receiving their pension means that there was not a good enough case for Barclays to say, "I'm afraid that from now on you won't be able to have that face-to-face service that you have enjoyed in the past." I believe that banks have a duty of care to the people for whom they provide products.

Another argument used for the closure of the Rhayader branch is that local people can use other branches nearby. However, let me give an example of the geography of this area. The nearest Barclays bank branch to Rhayader is in Llandrindod Wells, which is a 24-mile round trip from Rhayader. In mid-Wales, there is very little public transport, so that journey is very difficult for some people.

I want to give a few local examples to provide a little local colour. Daisy Powell runs the local newsagent in Rhayader, in the shop right next door to the branch of Barclays. She has banked at Barclays for a modest 52 years, during the time that she has run her business. She used to bank cash three times a week, but now she either has to drive for miles to bank cash or faces the anxiety of keeping cash on her premises. Another example is that of Jo and Chris Walton, who run a very good electrical appliance shop that was set up by their father. They have also had a business account with Barclays for more than 50 years and they too now face having to make long journeys to do their banking.

Now there are no banking facilities in Rhayader on a Tuesday, which is the livestock market day. Rob Lewis farms 150 beef cattle and 2,500 sheep at Pistyll farm, which is just outside Rhayader at Cwmdauddwr. As many local farmers did, he used to pick up his cheque from the auctioneers and bank his money at Barclays on the Tuesday after the livestock market.

There are also disabled and infirm residents, for whom the type of journey that I have mentioned would cause major problems. Ed Narborough is almost totally blind and uses a wheelchair. He has had to choose between changing banks to HSBC, which would mean not having a five-day banking service, or trying to make the journey to Llandrindod Wells.

One effect of the closure of the Barclays branch in Rhayader is that the town is now left with only one cash point. We all know how temperamental cash points can be. Just when someone wants that £10 to buy the last round of drinks that will bring an evening to a wonderful conclusion, they find that the cash point has run out of money or is failing to pay out for some technical reason. Rhayader relies on tourism for much of its income, but it is faced with having only one cash point machine and if that machine goes out of action at the beginning of a weekend or, even more worryingly, at the beginning of a bank holiday weekend, people will be unable to get cash within the town and are likely to move on to another town where there are better cash point facilities.

Barclays has argued that many of its customers are moving to online banking as an alternative to using a branch.

Hywel Williams (Arfon) (PC): I congratulate the hon. Gentleman on securing this debate. Lest we concentrate too much on Barclays, I am sure that it is right to say that other banks have taken similar steps to those that Barclays has taken. Does he share my concern about the potential closures arising from the announcement by Lloyds TSB bank that it will be divesting itself of perhaps 600 branches in the very near future and does he believe that such closures might have as bad an effect on local services in rural Wales and elsewhere as the closures of Barclays branches?

Roger Williams: I thank my hon. Friend for that point. When a company such as Lloyds TSB indicates that it will make branch closures, we can readily anticipate where those closures will be made. Indeed, I have some statistics about other companies and I do not wish to concentrate on Barclays. It is just that Barclays is in the forefront of my mind at the moment. It is not only Barclays that has been closing branches. In 2010, HSBC closed 52, Barclays 40, NatWest 18 and Lloyds TSB 11. As my hon. Friend pointed out, more closures are in the pipeline.

Online banking is, to an extent, a generational problem. To draw a parallel, in a debate on fuel poverty in this Chamber, it was pointed out that many people now have the opportunity to take advantage of competition in the fuel sector. A number of hon. Members were in the debate, but only two of us had never switched suppliers—me and my right hon. Friend the Member for Twickenham (Vince Cable). We were, I think, of a different generation. Many people who bank at small rural branches are not willing or readily able to switch to online banking. I know that my hon. Friend the Member for Ceredigion (Mr Williams) will be making a point about access to broadband and the internet, and such points were made very well in the rural broadband debate that the hon. Member for Penrith and The Border (Rory Stewart) secured in Westminster Hall last week. Many of these people do not have access to fast, safe internet, so even if the will is there it might not be possible for them to bank online. I commend the Government for the excellent steps that they have already taken on rural broadband, but more must be done so that rural businesses, people and communities are not left behind.

I shall finish, as far as Barclays is concerned, by saying that during the process I have been speaking about it was announced that Barclays had made a profit of £6.1 billion, and that its chief executive, Bob Diamond, was receiving a £6.5 million bonus. Bob Diamond's fan club in Rhayader is not full, and if anyone wants to make an application to join I am sure that there is plenty of capacity. Having said that, Barclays did not take any public money during the banking crisis, for which it should be applauded. It certainly benefited, however, from the liquidity measures and the quantitative easing that the Government implemented to help the banks through the credit crunch, so it should show more thought for its customers, whose taxes assisted in keeping it afloat during that difficult time. I should, of course, point out that it is not only Barclays that has been making closures, as my hon. Friend the Member for Arfon (Hywel Williams) has pointed out.

I understand the commercial pressures that the banks are under, but they must understand the effects that closures have on tourism, economic development and

customers in rural areas. What is the solution? The Campaign for Community Banking Services suggests that we set up a community bank—one centrally run facility in the community with face-to-face services operating on behalf of all banks and building societies. There would be only one set of overheads, and the massively reduced costs would be covered by all the participating banks. I understand that it would use the same technology as that which links ATMs, so the set-up costs would be not too large. A similar system in the United States has proved very successful. It seems an ideal solution, with our constituents continuing to receive the service that they so desperately need. Will the Minister outline any discussions that he has had on a similar community banking facility for the UK?

I want to say a few words about mutuals and credit unions. I am a member of the Brecon credit union, am well aware of the part that such organisations can play, and have recently met with representatives of the building societies that have remained in the mutual sector. They do a very good job of providing services in local areas, and are able to lend not just on an arithmetic income multiple but on their better understanding of the local economy and of the quality of employment in which many people who wish to get a mortgage are involved. The smaller mutual building societies complain that the reporting and regulatory requirements are more fitted to larger financial organisations. They would like the Government's approach to be more risk related, and some of the very onerous regulations to be moderated in some way.

It is not just the closure of bank branches that is of concern. I am very pleased that the Government have announced that they intend to maintain, as far as possible, the post offices, which are the financial and social hub of rural areas but which have too frequently been closed. The Communication Workers Union says that 1,000 post offices—one in 10—closed in 2010, and about 2,500, many in rural areas, have been closed in recent years.

Although I am aware that mail volumes are falling, and that other services that branches offer, such as benefit payments, are moving online, I ask that the Minister, in conjunction with his colleagues in the Department for Business, Innovation and Skills, seriously take on board the value and worth of rural post offices. According to Age Concern, 44% of pensioners use post offices to collect their pensions, 43% use them for access to cash and 56% use them to pay their bills. At both a local level and a Government level, we must do what we can to prevent widespread closures and long-term temporary closures. There has been an announcement that the long hoped for post bank will not be proceeded with, but does the Minister have any thoughts on whether a similar facility could be set up to address many of the issues that we are debating today?

The next issue that I want to talk about could be a huge problem for all our constituents. The cheque has been an integral part of our lives for more than 350 years, but there are plans to phase it out by November 2018. We currently write more than 4 million cheques per day, and despite the decline in usage we will still be writing 650 million a year in 2018. Cheques are essential and irreplaceable in many situations, and they are particularly important in rural areas. There is currently no easier, safer or more efficient way to pass money from one person or organisation to another.

Cheques are easy to use, virtually fraud proof, can be posted or handed over anywhere, and are cheap, safe, popular and understood by all. The use of credit and payment cards has, of course, hugely altered payment methods by virtually replacing cash in most everyday transactions, but only larger businesses can afford the technology to install card machines and we are light years away from the day when every individual will be able to receive payments by card.

There is only one reason to get rid of cheque books—profit. Cheque books are more expensive for banks than credit or debit cards. Handling paper is not efficient according to the bean counters, and as all British taxpayers know to their cost, banks are driven by many things other than providing a convenient service for their customers. The abolition of the cheque will lead to an increase in the black economy, as people will start paying cash when a cheque would have previously been used. It could also lead to an increase in crime, as older and more vulnerable people who are unable or unwilling to use other methods start storing significant amounts of cash at home. We do not currently have a viable alternative to the cheque, and until we find one not even the thought of it being abolished should be entertained. Will the Minister ensure that no decisions are made on the abolition of cheques before a viable alternative is found?

In conclusion, these are difficult times for rural constituents, with rising oil prices and the necessary cuts to public services. People need good and proper access to financial services so that they can grow their small business, obtain a mortgage for their first home, or cash and pay in their cheques so the local economy can grow and flourish. Thank you, Mr Caton. I open the floor to my colleagues.

11.19 am

Hywel Williams (Arfon) (PC): I congratulate the hon. Member for Brecon and Radnorshire (Roger Williams) on securing this important debate. I am sad that so few of us are in the Chamber, as the issue is vital to communities in general, and specifically to rural communities such as those in my constituency and, even more so, in my previous constituency of Caernarfon, which has a large rural hinterland, now part of Dwyfor Meirionnydd. I also congratulate him on his early-day motions, which I have signed. I checked; I have signed at least one of them. He has a track record on the issue.

A great deal of attention has been given recently to the bonus culture and high salaries in banks, but the changes in banking that have the most intimate and direct impact on our constituents happen on the high street: particularly, for the purposes of this debate, in the towns and rural villages of Wales. That impact has had less attention, as has the effect on jobs in the banking sector. A job in the banking sector is always seen as a safe and effective career. Several of my contemporaries at school went into banking. I come across them occasionally, and they are now on extended gardening or golfing leave. That is the effect when banks close, as many have done in the past few years.

We have been given briefing material for this debate. I will refer particularly to the Countryside Alliance's briefing, which I found useful. According to my briefings, 7,000 branches have closed in the past 20 years, leaving

[Hywel Williams]

about 10,000. That is a 40% change—ish; my arithmetic is not very good this morning—in provision, which is substantial. Rural banks face a threat. It is not only Barclays, which the hon. Member for Brecon and Radnorshire mentioned, but HSBC and the other members of the big four. In my constituency, the Campaign for Community Banking Services has identified Llanberis as an area of potential difficulty, with only one remaining bank serving a large tourist area visited by many thousands of people during the summer. A couple of other communities in my constituency are in the same situation. Elsewhere, in Bangor, Betws-y-Coed, Wrexham and throughout rural north Wales, the provision of banking services is fragile and under threat.

Unfortunately, the banks have been less than candid over the years about what they are doing. The Select Committee on Welsh Affairs, of which I used to be a member, took evidence from banks some years ago about closures in rural communities. Interestingly, one bank provided us with a map showing that there was a bank within five miles of a community where another bank was closing. Unfortunately, a large mountain was in the way. One would have had to travel all the way down the valley and back up it to get to the bank that was allegedly five miles away, and the return journey would have taken most of the day on public transport. Banks have been less than candid.

I referred in an intervention to the potential danger that some Lloyds branches might close. I understand that Lloyds is in a difficult position—it must divest itself of parts of its operation due to European Community state aid rules—but about 600 branches are threatened, and I fear that they might be sold off. I understand from the press that the new chief officer of Lloyds, Mr Antonio Horta-Osorio, has announced that the plans to sell off the banks are to be accelerated, so the change will happen quickly. That is not only a threat to the Lloyds network; Lloyds also controls Cheltenham and Gloucester and TSB. People do not realise that it has several brand names. I am not sure whether the Government can do anything about that, but I will be interested to hear whatever the Minister has to say.

Local bank branches are vital to commercial activity. The hon. Gentleman mentioned shops in his constituency; the same is true in rural parts of my constituency. Equally importantly, local banks are also a good way to address financial exclusion, which I know concerns this Government greatly, as it did the previous Government. A bank in a community allows for a measure of inclusion; the converse is also true.

Assisting older people, people with a disability and vulnerable people with their banking needs is also an issue. Not everybody can do their banking over the phone or broadband. The Government have at last announced an initiative to bring superfast broadband to parts of Wales, including my hometown of Pwllheli, but that will not extend to all communities. I must mention Rhiwlas, as I always do when I refer to this issue. It is within sight of the university city of Bangor but has appalling broadband service, and there seems little prospect of its being improved. That is not a way out for many people and, as the hon. Gentleman mentioned, we might see the end of cheques, which would also be a tragedy.

On the current trend towards automated banking, my branch, HSBC in Caernarfon, is an excellent branch in the middle of town, but it has recently been largely automated. There are banks of machines for printing statements, depositing money and withdrawing money and a telephone that one can use to talk to somebody far away. The counter space has been reduced to two positions. I was there the other day. A member of staff was hovering around the machines to seduce customers into using them, but there was an enormous queue for the two positions, one of which was closed. People are voting with their feet. They would rather queue for 10 or 15 minutes than use the machines. That says that people appreciate the face-to-face nature of banking transactions. Banks divest themselves of that way of promoting their business at their cost.

HSBC has also introduced its own radio station. I do not know whether hon. Members have heard it. When one queues for a position, one must listen to pop music, news and advertisements for the bank's own products. I almost think that HSBC is doing it deliberately to drive customers away; it certainly drove me to use the automated facilities. As I said, banks will have to learn—as have Departments, such as Her Majesty's Revenue and Customs and the Department for Work and Pensions—that people like to discuss their business face to face. I would also say that face-to-face business is of itself good business.

My party's policy for many years has been to set up local community-based banks. In fact, it was one of the central planks of our 2007 manifesto. If local community-based banks cannot be set up wholesale, we would like pilot schemes. I know that this Government and the previous Government thought carefully about setting up post banks, but if a scheme cannot be introduced wholesale, can pilot schemes be tried, just to see what would happen? Post offices offer themselves as ideal locations for providing access to personal and small business banking. I will not pursue the question of post office closures, Mr Caton—I am sure that you would stop me in my tracks if I did—but I note that there were 200 closures in Wales during the last wave of closures, 11 in my constituency. However much local people complained—I organised a series of public meetings in my constituency that were very well attended—the net effect was that 11 closures were proposed, and 11 closures went ahead. I was not sure from the hon. Gentleman's remarks whether it is still Liberal Democrat policy to have post banks or community banks. It would be sad if that has changed.

Finally, in Cardiff we have a One Wales Government made up of Plaid Cymru and the Labour party, and we have invested recently in credit unions, which are an excellent way of providing small amounts of money—small loans—for people, and of saving small sums of money. The One Wales Government have invested a further £3.4 million in credit unions.

Roger Williams: One of the points on which I could have expanded is that there does not seem to be a root from which a credit union can progress to become a larger, more responsive financial service, such as the mutual building societies, which, of course, originated in small communities such as ours.

Hywel Williams: Indeed. There is a gap in the market. Credit unions are very good for people who need small amounts of money and need to save, but it is not so easy for businesses to access small amounts of investment.

There have been huge complaints about the way in which the large banks have been acting in that regard recently. I am loth to mention cases, but a holiday business in my constituency closed down because trade was terrible and the bank withdrew its banking facilities. Without going into details, all I need to say is that it was winter—trade is always terrible in winter—and the bank would not wait until summer. I would say, therefore, that there certainly is a gap in the market. Our proposal as a party is for a postal bank—a people's bank, as it were.

I will end by saying that I would like the Welsh Assembly Government to have the legal power to intervene in the market in that way if this place does not do so itself. I think that everybody understands that there has to be change. Banks are commercial organisations, but there has to be much greater social responsibility in their business.

11.32 am

Mr Mark Williams (Ceredigion) (LD): It is a pleasure to serve under your chairmanship once again, Mr Caton. I pay tribute to my hon. Friend the Member for Brecon and Radnorshire (Roger Williams) on securing this important debate. He may not be rewarded by a mass turnout this morning, but he knows that this is an important issue for those of us who serve rural communities, not least in north and mid-Wales.

Much concern has rightly been expressed today about the total number of rural bank branch closures. There has been a 43% net reduction in branches since 1990 and an 18% net reduction since 2000. Figures from the Campaign for Community Banking Services show that the UK has significantly fewer branches than other comparable European states. There are 170 branches per million inhabitants in the UK, compared with 440 in France, 570 in Italy, 480 in Germany and 1,010 in Spain. I do not know what the trend is in those countries, but I suspect that some of their communities have been better served by the banks than ours.

There are obvious reasons why banks choose to close less-well-used branches. They operate in a very competitive environment, but, none the less, access to banking services is essential in any community, and we have to find ways to ensure that that presence remains throughout the country. The CCBS has talked of the need for flexible format-shared branching, whereby third party providers provide services through a variety of channels, such as post offices, village shops or even community shops. I emphasise that the services provided are essential. The anecdotal evidence that we have heard from Arfon and from Brecon and Radnorshire makes that point strongly. I concur with what has been said about duty of care. Anger is felt in communities such as Rhayader over the billions of pounds that the banks currently earn.

In 2009, a report by the Commission for Rural Communities, "Rural Money Matters", considered the difficulties associated with rural financial inclusion in England, but much of what it says also resonates throughout the rest of the UK, including rural Wales. The report points out the consequences of the lack of access to financial services. For example, the fact that most employers require wages to be paid into a bank—many do not—limits the employment opportunities for those without a bank account. Many will miss out on the discounts available

for direct debit and online payment, and even the ability to shop around for credit could force those in rural areas to pay more.

Another impressive organisation, Consumer Focus Wales, published a report, "The Cost of Cash", in November 2009. It recommended several steps, including face-to-face support for those opening a bank account for the first time; explaining how direct debit works; and exploring alternative arrangements for electronic payments, such as setting up sub-accounts solely for bill payments, to alleviate some of the fears associated with direct debit payments. The infrastructure needs to be in place, however, if many of those suggestions are to become a reality.

The number of free ATMs has increased, but, in smaller communities and the more rural areas, many of our villages are five miles or more from a cash point, which is a concern, particularly when we also see deficiencies in public transport. My bank for the past 27 years has been Lloyds in Aberystwyth, and I live six miles away from that town. My community is still served by some modest public transport and I own a car, but many people in my constituency do not have that luxury and live considerably more than six miles away from their nearest bank.

We also need to look at the impact—this is a fundamental point—on the local economy. It is very difficult for small businesses to operate in rural areas without immediate access. My hon. Friend mentioned the proprietor of the newsagent in Rhayader taking her cash in. I can guarantee that, at 4.30 pm on any day of the week, local businesses are queuing at Lloyds bank in Aberystwyth to pay cash over the counter. In Ceredigion, we have the largest proportion of people employed by small businesses anywhere in the UK, and those businesses are vital to our community. I think we could multiply a thousand times the anecdotal evidence that my hon. Friend has given from Rhayader. It is a big issue for our small businesses.

One of the additional barriers that we face to accessible financial services is the lack of digital inclusion. Those of us with rural constituencies will be familiar with the figure that is bandied around of 99% of exchanges being broadband enabled, but the picture is very different on the ground. Even those who are able nominally to receive broadband often find that their service is slower and less reliable. The Government have indicated welcome investment in superfast broadband, but it is also key that they tackle existing not-spots as a priority, so that those who currently do not have access to broadband, who are often also likely to be those without access to physical services, are able to access things such as online banking. I pay tribute, in a cross-party way, to some of the initiatives undertaken by the National Assembly. Certain communities in Ceredigion have certainly benefited from remedial action by the Assembly Government.

Another broadband-related issue that we face in rural areas is that, as well as generally receiving a slower line speed and a more patchy service, people have had to pay rather more for it. In areas where BT is the sole wholesale provider, internet service providers have been charged line rental, which has then been passed on to the customer, meaning that many of the cheap deals advertised by ISPs are out of reach for many living in rural areas. In January, Ofcom proposed that BT reduce those charges, and it would be helpful if the Minister or one of his colleagues could update us on that.

[Mr Mark Williams]

The lack of bank branches and, indeed, other financial services means that there is a need to use the facilities that we have, most obviously post offices. The Government have announced plans to make post offices what they call a front office for Government. Those of us who have been arguing against the retreat of Government from our post offices would certainly welcome that in order to make services accessible and to safeguard the remaining post office network. There was disappointment that the Government did not advance the suggestion of a post office bank, but they have reached an agreement with banks, whereby 80% of current accounts will be accessible at post offices. I think that that will have a significant impact where those post offices exist for those communities. It would be helpful if the Minister could outline what steps have been taken to ensure that the aspiration to provide Government services through the Post Office is realised, and that the network can benefit from additional revenue streams.

Another crucial issue—I shall broaden the definition of financial services slightly—is the availability of financial advice and help for people with debt problems. I very much support the efforts of hon. Members, such as the hon. Member for North Swindon (Justin Tomlinson) in talking about compulsory financial education in schools. That would be of great benefit in establishing financial literacy from a young age. It remains the case that when people have debt problems, financial advice is harder to access. In some rural communities, it is physically harder to access that advice. In Ceredigion, we have two excellent citizens advice bureaux—one in Cardigan and one in Aberystwyth. My wife is the trustee of one. We are lucky because, this Thursday, they will merge to make a county-wide CAB service. However, that still presents a difficult journey for people who live outside towns—although the CAB has undertaken good outreach work in some scattered communities. I welcome the Government's extension of the financial inclusion fund but, particularly in these difficult economic times, there is still an issue with people accessing such financial advice.

Both my colleagues have expressed concern about the demise of the cheque. I echo the difficulties that that presents for many, especially the elderly. I appreciate that that matter is the responsibility of the Payments Council and not the Government, but it would be helpful if the Minister could assure us that the Government are committed to ensuring that any decision on cheques will not be taken without considering the impact on those who still use them, particularly the elderly. I include myself in that.

In rural areas, we often have debates—both my colleagues have participated in debates for many more years than me—about the importance of retaining services in our communities and the principles of rural entitlement. We have heard both the current and previous Governments talk about how difficult it is to justify the costs of retaining services because of the increased reliance on online methods. However, it is often more difficult to access services online in rural communities. Hon. Members should be in no doubt that rural communities will disappear unless we protect those services. I congratulate the Government on their early pronouncements on the Post Office and the investment—necessarily limited as it is—in superfast broadband. However, much more can and needs to be done.

When we consider community and services, I take a slightly holistic view. Let us reflect on why young families might want to move into the kind of community that I represent. When we consider the specifics of why young families move into a community, there are certain essential ingredients. First, there is an implicit need for a job. Secondly, people might consider the presence of a village school, certain retail outlets, a public transport system, a post office and access to financial services. Those factors are all part of the mix that means we can still have vibrant communities in rural areas. That is why this debate is so important and why we look forward to hearing what the Minister and his shadow, the hon. Member for Nottingham East (Chris Leslie), have to say on the matter.

11.43 am

Chris Leslie (Nottingham East) (Lab/Co-op): I congratulate the hon. Member for Brecon and Radnorshire (Roger Williams) on succeeding in securing the debate. This is an incredibly important topic for a number of hon. Members. As he has said, I am surprised that more hon. Members were not aware that the debate was being held this morning. The issue that we are discussing comes up in rural communities particularly, precisely for the reasons the hon. Member for Ceredigion (Mr Williams) gave when talking about the crucial ingredients that help to create a vibrant town, village or community. A critical, tipping-point question is: how many of those vital services can be removed before a village or town becomes less attractive, viable and functional?

I shall start by stepping back and looking at the current range of financial service providers in the UK. What should banks—financial service institutions—have as their core purpose? Ultimately, banks are utilities; they are a necessity in modern life. We are not talking about a discretionary activity; people do not choose to have a bank account, or, necessarily, to borrow or save. Credit and its availability is part of the warp and weft of modern life, so we need to treat banking and financial services in a similar way to water, electricity, gas and so on.

I sincerely hope that the Independent Commission on Banking, chaired by John Vickers, which is due to report in the summer, will take as its starting point the social purpose of financial services, and the issue of what banks are for. I hope that it will move from that basic philosophical concept to the question of what consumers need as a basic level of service across the country. Ideally, consumers should have choice and diversity in the services that they consume. We need to look at the current provision of financial services, particularly in rural communities, and ask whether we are really providing that choice and diversity to local people. I am not convinced that the current arrangements are ideal. The credit crunch and the banking crisis have hindered rather than helped a move in that direction. As hon. Members have said, we need new entrants in the financial services market.

Hywel Williams: There is a specific issue surrounding the rural poor. The hon. Member for Brecon and Radnorshire (Roger Williams), who secured the debate, represents Powys. That is one of the most rural counties and it has, I think, nearly the lowest wages in Wales. Incidentally, it also has the highest level of car ownership,

which is a further burden on people. The rural poor are particularly excluded in the situation that we are talking about—I am sorry that my intervention is so long, Mr Caton—and last night I saw an advertisement on television for a company that provides loans based on a week's wages. The interest rate is around 2,000% per annum. People are going to fall prey to those sorts of temptations.

Chris Leslie: Absolutely; the hon. Gentleman makes an incredibly important point. The pay-day lending industry has tried to fill the gap where the mainstream financial services sector has pulled back. In rural communities—this certainly happens in urban communities, such as my constituency of Nottingham East—people have had difficulty accessing mainstream financial services, so those less desirable players have moved in to fill the void. The gap available is being filled not only by high-interest legal players, but the illegal loan-sharking sector. That is a real and growing problem. In recent years, surveys have demonstrated that financial service deserts have grown up across different parts of the country. It is therefore incredibly important that when the Independent Commission on Banking reports this summer, we take the opportunity to step back, take stock and say, "What should good, responsible, social banking involve?" That is not a party political point; we are talking about something that communities need and deserve.

I am concerned about the points made about branch closures in some of the mainstream banks, as they start to retreat from rural communities. Hon. Members have already referred to the Campaign for Community Banking Services and its survey about the number of bank branches that are closing, particularly where a bank is the last one in a town. That leaves those towns or villages without any banking cover at all. I shall mention briefly some of the places affected. Barclays is closing the last bank in town in Kelvedon and Southminster in Essex, and Bedfont in Middlesex. Lloyds is closing the last bank in town in Potton in Bedfordshire, Wainfleet in Lincolnshire, Bilton in Rugby, Barton-under-Needwood in Staffordshire, Netley Abbey and Stockbridge in Hampshire, and Yarmouth. HSBC is closing the last bank in town in Whitburn in Tyne and Wear, Stamford Bridge in Yorkshire and Hoylelake in Cheshire.

In addition, although it is not exactly a rural area, we had a debate the other night about the Nationwide closing a number of branches in south-east London. A number of big financial players could be criticised for diminishing the services to long-standing and loyal customers who really appreciate access to a branch.

The hon. Member for Brecon and Radnorshire made a point about access to online banking and the requirement for broadband. High-speed internet is very important, particularly in rural areas, but it is not always available. The hon. Member for Ceredigion talked about the broader concept of financial services, and financial advice. I would add to that the controversy about access to independent financial advice and independent financial advisers, or IFAs. Sometimes, IFAs are one of the only providers of independent financial advice in small communities. Hon. Members may be familiar with the retail distribution review being conducted by the Financial Services Authority, and the impact that that might have on the ability of communities in rural areas to access independent financial advice.

The IFAs are under pressure, not only as a result of the FSA review, in terms of the extra qualifications that they need to gain, but as a result of changes to commission structures, which need to be handled far more carefully. There are also increasing pressures as a result of the levy placed on them by the Financial Services Compensation Scheme. There are a number of factors, some of which have reasonable arguments behind them, that together could place in jeopardy the ability of individuals to get free or low-cost financial advice. Will the Minister confirm that he is conscious of that strategic risk to the IFA community? What steps will be taken to ensure that that advice will still be available, despite so many proposed changes?

The hon. Member for Ceredigion congratulated the Government on maintaining the financial inclusion fund for another year. That is one of those strange things that happens in politics when something that is valued is initially scrapped. There were howls of protest in the previous Budget when the Conservative-led Administration decided to scrap the £27-million financial inclusion fund. The fund pays for at least 500 debt advisers—largely face-to-face citizens advice bureaux advisers and so on—and I think it helps to support approximately 100,000 appointments each year. Those howls of protest helped to bring about a partial U-turn from the Government, and a few weeks ago they announced that they will keep the fund going for another financial year. Are we supposed to show gratitude for that? Well, perhaps, but it is not enough to say "Thank you for continuing the fund for another year."

I want to know what the Government's plans are for the end of the 2011-12 financial year. What will happen, in April 2012, to the financial inclusion fund? We are in the spending review period, so there is no excuse for not knowing the available finances. The Minister needs to say now what his plans are for the financial inclusion fund from that point; at the very least, it is surely necessary to give charities and organisations that provide debt advice certainty about what will happen over the spending review period, so the Minister needs to answer that point.

Mr Mark Williams: I appreciate the point that the hon. Gentleman is making. I share the general direction of his comments. None the less, it would be churlish not to congratulate the Government, because they listened to the strong concerns that were expressed on the issue. I was certainly relieved that two debt advisers in my constituency would carry on their excellent work in helping 500 families.

Chris Leslie: Absolutely. It would be churlish not to be glad that there is a continuation of that, but it is such a pity that it is on a piecemeal, ad hoc, year-by-year basis, when the fund should be a strategic plank of the Government's approach to providing financial services and advice, especially in rural communities.

Hywel Williams: It is tragic that the areas where banks and post offices are closing are the areas where it is also so difficult to access financial advice, and more general advice from the citizens advice bureaux and from lawyers in public service. Banks and post offices are closing and creating deserts, as far as advice is concerned, throughout large parts of rural Wales.

Chris Leslie: The hon. Gentleman is completely correct. Of course, it is not just the financial inclusion fund that gets thrown into the mix, in terms of supporting CAB and others. Local government grant services are as critical, and the spending reductions are also having an impact on that area.

It is important to remember that some banks and other financial services institutions are subsidised heavily by the taxpayer, so they have a wider community duty that we MPs have a right to call into question. They serve a customer base, too, and the degree to which they serve their customers is intriguing. In recent years, bank mark-ups on the cost of borrowing have become considerable. The availability of decent interest rates for savers has gone down and down—that is the so-called interest rate spread issue—so consumers are paying a heavier price. That affects people in rural communities, as elsewhere.

The bank base rate has fallen from 5% to 0.5%—a change of 4.5%—yet the charges on overdrafts have fallen by only 1.8%. Charges on credit cards have fallen by only 0.8%. The charge on fixed-rate loans has fallen by 0.4%, and on mortgages, according to the New Economics Foundation, there is a spread of approximately 3% in post-credit crunch extra profit that the banks are making from ordinary borrowers and households in rural and urban areas. The foundation estimates that there was something like £1.6 billion in extra profit in 2009, and a further £1.5 billion per year from 2010. Consumers are taking a considerable hit, but do they feel that they are getting services back in return? That question should not be neglected. It is not just taxpayers' interests but consumer interest that we need to protect when we think about banking and financial services reform.

I am very sorry that the Government have decided to renege on the promise that they made in the coalition agreement, in respect of the Post Office bank plans. That idea was floated by the previous Government, and we thought it had been taken up by the new Administration when they mentioned it in the coalition agreement. In November, however, the idea for a Post Office bank, in which post office facilities were used for some sorts of basic financial services, especially in rural areas, was ditched. At the time, the Department for Business, Innovation and Skills said that the idea was too time-consuming and expensive to pursue, probably because of the privatisation process. That is a pity, and a huge missed opportunity. I note that the National Pensioners Convention said that that was an extremely short-sighted decision on the part of the Government.

I hope that the Minister will say that whatever happens to the Post Office, one requirement for future owners and operators of post office services will be, at some level, to have some sort of basic financial service transaction capability in those areas where post offices still exist. I would also like to explore the issue of local authorities, and encourage them to think about their role in community banking facilities. I know that many local authorities help supporting credit unions. That is a crucial dimension that needs to be encouraged, although local authorities, naturally, are retreating to their core activities.

[Miss Anne McIntosh in the Chair]

I am really glad that hon. Members raised the issue of the risk to the cheque, that paper-based payment system. Over the years, my aunts, uncles and grandparents have

sent various little payments and presents in birthday cards. Many of us enjoy writing cheques and using that basic facility that we take for granted. The cheque is valued not just in rural areas or by older people, but in all walks of life. It is a simple and comprehensive system, and very popular as well. It would be an incredible pity to lose the cheque capability simply because the banks do not wish to provide it anymore. We know that free banking services are already at risk, so the Minister needs to take a more proactive stance and step in. Rather than leave the issue completely to the Payments Council, he needs to think about what powers the Treasury may need to consider in order to preserve that basic social function, should no alternative easy and simple method of payment be devised in the meantime. That is a crucial point.

The Treasury needs to stop its usual habit of giving the banks carte blanche on many of these issues, and it needs to start speaking up for communities, especially in rural areas, when it comes to the financial services that customers and taxpayers need. It would be a tragedy to forget the social necessity of banking and financial services. We need to ensure that the consumer perspective is at the heart of public policy.

12 pm

The Financial Secretary to the Treasury (Mr Mark Hoban): I congratulate my hon. Friend the Member for Brecon and Radnorshire (Roger Williams) on securing this debate. There may have been relatively few participants in it, but the quality of contributions has been high, and Members have recognised the importance of the issue.

Access to financial services is not just a rural issue. On a Friday afternoon a couple of weeks ago, I responded to a debate secured by the right hon. Member for Greenwich and Woolwich (Mr Raynsford) on access to financial services in south-east London. There are some common strands, but the particular nature of rural communities creates an additional challenge that we need to reflect.

I shall respond to several points that were made before I cover most of the rest of the issues in a few brief remarks. On automated teller machines, it seems that hon. Members should be in Rhayader on a Friday night if the hon. Member for Brecon and Radnorshire is in town, since he is keen to ensure that he is able to get that tenner out of the cash point to buy us all a drink. He is right to highlight the fact that there is only one cash point in the town. He may be aware that since the report in December 2006 by a parliamentary working group on cash machines, LINK has received nominations for sites, particularly in low-income areas, for about 600 free cash machines. I encourage him to contact LINK directly to suggest that there is a need for one in his community.

My hon. Friend and several other hon. Members spoke about the future of the cheque, a matter which I take seriously. The previous Government turned a blind eye to the threat to the cheque. I have met the UK Payments Council and discussed with it the need to ensure that there is a viable alternative to the cheque before its operation ceases. I made it clear that that is a priority for this Government. It is not clear to me what the alternative would be, given the many qualities of cheques: they are easy to use, people are familiar with

them and it is easy to post them. We wait to see what the council says, but I made it clear that it should proceed only if there is a viable alternative that is accepted by many of the groups that currently use cheques.

However, I add a note of caution. The diminishing use of cheques means that the cost per cheque is rising. Clearly, that cost has to be covered in some way, so no one should see cheques as an entirely free option.

The hon. Member for Arfon (Hywel Williams) spoke about Lloyds Banking Group's plans by to divest itself of 600 branches. He may recollect that the European Commission made that a condition of state aid before signing off the significant investment that the previous Government made in bailing out Lloyds after its merger with HBOS. The Commission required Lloyds to make a significant divestment, and it is making progress on that. There is a great opportunity for that divestment to be used to create a new challenger to UK banks. None of the existing banks in the UK that have a share of the personal account market of more than 14% can buy those branches, so there is an opportunity for someone to become a challenger—to enter the market, buy the branches and provide competition. There is not enough competition in banking at present. A new challenger in the market would help ensure a better deal for consumers, and that banks focus much more on their customers.

My hon. Friend the Member for Ceredigion (Mr Williams) spoke about broadband services in rural areas, and how important it is to ensure that people in such areas have access to online banking. He will know that broadband is not a reserved policy, but work is being done through the UK Government and the Welsh Assembly on improving access to broadband.

In the spending review, we provided more than £500 million of funding for superfast broadband over the next four years, and some of that money can be used to pay for superfast broadband roll-out in areas that the market alone does not reach, including rural areas. The Welsh Assembly are now in discussions with Broadband Delivery UK on how its work will be supported in future.

I agree with my hon. Friend that there are huge opportunities if we can roll out superfast broadband to rural communities. It will help tackle the digital divide and not just enable banking services to be more easily accessed by people in rural areas but create new wealth opportunities, and encourage economic growth and development in those areas.

My hon. Friend also spoke about the future of the Financial Inclusion Fund. I am pleased that the Government will make funding available to continue the face-to-face advice project until April 2012. However, we have been clear that the debt advice sector needs to be put on a more sustainable footing in the long term. There is considerable investment already through the Consumer Finance Education Body, which is looking at financial advice more broadly. We have asked it to take forward debt advice as part of its work of running the money advice service. That work will be funded not by the taxpayer but the financial services industry, which benefits most directly from good quality debt advice being available. He made an important point about access to advice.

Chris Leslie: Will the Minister give way?

Mr Hoban: I will, if the hon. Gentleman will be patient for a moment.

My hon. Friend the Member for Ceredigion made points about face-to-face advice and issues in rural areas around accessing advice. Part of the challenge is to ensure that advice is available when people need it. Sometimes that is difficult, given that citizens advice bureaux and other providers operate at fixed opening times, but there are other ways. The Money Advice Trust runs an effective telephone helpline service, as does the Consumer Credit Counselling Service, and we need to look at online tools. It is important that we have a holistic approach to financial advice, and that is why I am keen that the CFEB takes this forward and provides a coherent view about how we provide advice to people, not just in urban areas but across the country.

Chris Leslie: I accept what the Minister says about online and telephone advice, but, on face-to-face advice, can he confirm that, as far as the Government are concerned, the £27 million fund will not be available from April 2012 onwards? It is his decision that it will end next April.

Mr Hoban: The reality is that the previous Government expected the project to end at the end of this month—that was in their spending plan—but we have extended it for a further year. However, it is important that the financial services sector picks up the bill for it. It is important to integrate it as part of the CFEB—it is its responsibility to take it forward. Of course, we will work closely with that organisation and monitor it to ensure that it delivers that advice. It accepts that it is its responsibility to develop a model of debt advice that meets the needs of people across this country. That is an important goal for that body. The hon. Member for Nottingham East (Chris Leslie) was not around in the last Parliament, but the CFEB had support from his party as well as mine. His colleagues in the then Government saw it as an important way of improving financial capability and advice, so there is shared interest in ensuring that it is successful.

I have two brief points to make about the hon. Gentleman's remarks. He should be very clear that the Independent Commission on Banking is a focused piece of work—perhaps he ought to read its terms of reference. It is about stability and competition in the banking sector, not the greater issue of banking's social role. The ICB's mandate is narrowly focused. The hon. Gentleman is looking perplexed.

Chris Leslie: With respect to the Minister, surely competition is integral to the wider social and consumer interest. If his Administration have so narrowly defined the ICB's activities, is there not at risk that some more important questions might be neglected by Ministers in their future decisions?

Mr Hoban: We were keen to ensure that the ICB has a focused remit to enable it to deliver its work on time, so that we could take forward some of the lessons that should be learned from the financial crisis, when large banks posed a greater risk to the economy. UK banking was consolidated, partly as a consequence of the Lloyds and HBOS merger, and the building society sector became more concentrated. That is different from imposing additional social obligations on banks, which the hon. Gentleman seems to favour.

[Mr Hoban]

The hon. Gentleman also touched on independent financial advisers. He should be aware that their advice is not free; it is paid for through commission, and it is not always entirely transparent how much is being paid. A move to a fee-based system will help improve transparency. It is important that consumers receive good quality advice. We live in a complex world of financial services, and as a Minister I deal with too many cases of consumers being given bad advice and paying a high price for that. There is a strong consumer-friendly element in the reforms.

The hon. Gentleman also talked about the financial services compensation scheme levy. It pays for the cost of failure among IFAs. It is an important part of the mechanism to give consumers confidence that if something goes wrong, the bill is picked up so that they are not left out of pocket. If the hon. Gentleman believes that the Financial Services Compensation Scheme should be reformed, and that someone else should pick up the levy, he should be clear which sectors should do so. My experience is that people are keen to offload the responsibility to someone else, but never clear who that should be. The scheme ensures that the sector swallows its own smoke.

Turning to the main issues raised by my hon. Friend the Member for Brecon and Radnorshire, I recognise his concerns about the significant impact of branch closures in his constituency, and the fact that the HSBC branch in Rhayader has only limited opening hours. I also recognise that although people in rural areas experience the same financial challenges as people in towns and cities, living in a rural area may bring additional challenges. Exclusion from financial services may be less visible in many ways in rural areas compared with urban areas.

My hon. Friend referred to micro-managing banks' activities. I am not interested micro-managing them, and that is as true for the banks in which the state has a significant stake as for those in which we have no shareholding. However, banks and building societies should serve the economy, and we are committed to improving access to banking, and transparency of financial products for consumers. Decisions on opening and closing branches are taken by the management team of each bank and building society on a commercial basis, and the Government do not intervene in such decisions.

My hon. Friend should recognise that the role of banks is not just about branches. They play a much wider role in helping the UK economy, and we reached agreement with them earlier this year to encourage them to work in partnership to support the recovery, to increase the amount of money they lend to small and medium-sized enterprises, and to pay out lower bonuses than last year. They are more transparent about their pay, and are making an additional contribution to support business growth and the big society bank of £1.2 billion. However, there is more work to do to improve access to financial services, certainly among the most vulnerable groups, by supporting financial mutuals, and improving competition in the banking sector.

We are committed to improving access to basic financial services, especially for those who are vulnerable to exclusion, and we are working actively to ensure that all

consumers can access an appropriate mix of financial services. Bank and building society branches are not the only channels for accessing financial services, nor are they necessarily favoured by consumers on low incomes. For many people, the barriers are significantly greater than simply having no local bank or building society branch to visit.

It is important that financial services adapt so that they fit the grain of how people run their lives. For example, many consumers without bank accounts express a preference for managing their finances in cash. They want direct control over their spending, and often believe that a bank account takes that away from them. For many, the financial services with which they engage most often are not in bank branches.

That brings me to the post office network, which has more branches than all the retail banks put together. An important part of the Post Office's future sustainability will be the continued growth of revenue from financial services. The Government have promised that there will be no programme of post office closures, and in last year's spending review we promised to provide £1.34 billion for the Post Office to modernise the network and to safeguard its future, making it a stronger partner for the Royal Mail. We have also said that expansion of accessible and affordable personal financial services available through the Post Office should be a priority. Our ambition is that all UK current accounts should be accessible through the post office network, making post offices the convenient place for people to access their cash.

Roger Williams: I thank the Minister for his comments on the debate. On a practical issue, people tell me that the one thing they value about banks is that they can talk in private about their financial concerns. That facility is not available in post offices. If the Post Office is to deliver more financial services, it must address that issue, as well as availability, with the public.

Mr Hoban: My hon. Friend makes an important point. As it expands the financial services that it offers, the Post Office will have to think about how to encourage take-up, and how to provide support and advice, if that is the route that it wants to take. I was about to acknowledge that the range of services that the Post Office will offer will not be the same as a community bank, which is an idea that he outlined.

There is a real challenge in putting in place the right model of financial services in rural communities. It is not right to mandate a particular model as being right. The impetus for new ways of developing services should come from the financial services sector. The hon. Member for Arfon complained about the HSBC branch that has become highly automated. The challenge there is whether that meant that the branch could stay open, and whether new technology is being used to keep more branches open by changing the way in which services are offered. There are some interesting challenges, and banks must work their way through them.

When thinking about how financial services best support families and businesses, particularly in rural areas, we must think more carefully about their changing nature. There is a risk of getting stuck in a particular view of how banking should work. People are turning increasingly to prepayment cards or e-money. For example, Tesco is making payment to short-term employees with

an e-money card, instead of paying money into a bank account. We can learn from other countries how they have tried to get around lack of bank branches. We should think about developing new safe and convenient financial services using different channels.

Mutuals were mentioned a couple of times, and I am conscious of the excellent work done by credit unions, particularly in the constituency of my hon. Friend the Member for Brecon and Radnorshire. Mutuals can be more accessible for those who cannot or do not want to access banks. The coalition is committed to a strong mutual sector that should have the capability to enrich British society. It is in everybody's interest to do whatever we can to help the mutual sector prosper and grow, and for that to be achieved sustainably. Over the past few months, I have had the opportunity to start a meaningful dialogue with the mutual sector about its ambitions, looking at what services it can offer and how it can overcome the hurdles that have been holding it back.

Although mutuals benefit from not having to pay dividends to their shareholders, they have an obligation to their members. They have to strike a balance between meeting their wider obligations and providing returns to their members through higher returns on savings or lower borrowing costs, ensuring that they remain viable and competitive. Such considerations are at the heart of every decision made by a building society.

As a consequence of the financial crisis, there is clearly an appetite for change in the way financial services operate, and mutuals stand well placed to respond to that challenge. To help achieve it, the Government are implementing several legislative reforms to help create a more equal playing field in financial services, thus promoting diversity and providing a challenge to banks.

The legislative reform order on industrial and provident societies and credit unions has been a long time coming. It will be re-laid before Parliament shortly, and will introduce basic yet far-reaching reforms that will enable credit unions to modernise and grow. We will also take forward the implementation of the Co-operative and Community Benefit Societies and Credit Unions Act 2010 after the legislative reform order comes into force. That will bring the industrial and provident society name into the 21st century, and modernise the powers available to update legislation in the future.

My hon. Friend the Member for Brecon and Radnorshire asked about reducing the burdens on building societies. We will shortly lay an order that gives mutual societies—including building societies—the option to use electronic communications to engage with members and distribute certain statutory information, as opposed to sending it by hard copy. That will reduce costs to businesses and enable them to invest more in services.

In recent years, credit unions have made great progress in providing affordable financial services to people who could not otherwise access them. They provide an alternative to payday lending, loan sharks and home credit, and I

want them to continue to develop and strengthen. We are providing additional support to those institutions outside the regulatory legislative process. Building on the financial inclusion growth fund, the Department for Work and Pensions will continue to support credit unions for four years through a new expansion and modernisation fund worth up to £73 million. The fund will seek to extend access to basic, appropriate financial services to many people on lower incomes, through modernising delivery and customer support systems.

Roger Williams: One concern relayed to me by mutual societies, particularly building societies, is about the burden of reporting that has to be done on a regular basis, presumably to the Financial Services Authority. That seems to be out of proportion to the risk that building societies present, and certainly to that presented by large commercial organisations.

Mr Hoban: My hon. Friend makes an important point to which I should have responded earlier. He lays down a challenge about the burden imposed on building societies and other financial services organisations. The FSA has looked carefully at the regulation of building societies. He will be aware that building societies were affected during the financial crisis, and there were several rescues as they had to consolidate. The concern is that a number of them moved into areas in which they were not entirely comfortable or well resourced to deal with, and that put the building society and depositors at risk. We need to ensure a proportionate regime for regulating building societies that recognises the risks posed to members and financial stability.

One area in which the Government are taking forward further work to support building societies, and an issue building societies have raised as a consequence of the financial crisis, is the need to find new sources of capital. We are working closely with building societies to identify an instrument that enables them to raise capital markets, will help absorb losses if they occur in the future, and is consistent with enhancing the stability and security of the building society sector. We are taking active measures to strengthen the mutual sector because we believe that its diversity can act as a spur to further challenges to the banking sector. It is an important part of the architecture of financial services, not just in terms of providing mainstream products, but in trying to provide greater access to groups that are harder to reach.

I have been fortunate to have enough time to expand on the subject at some length. I hope that my hon. Friend will recognise that although the Government cannot intervene in the individual decisions taken by banks and building societies to close branches, we are committed to taking further steps to improve access to financial services throughout the country, in rural and urban areas alike. We recognise that particular challenges face financial services in rural areas, and we will continue to look carefully at those issues and listen to concerns raised by hon. Members.

Solar Power and Feed-in Tariffs

12.26 pm

Alex Cunningham (Stockton North) (Lab): I am delighted to have the opportunity to raise this issue today. I was astounded by the number of people who contacted me when they saw this debate was coming up, asking me to speak out against the Government's proposals following the fast-tracked review of the feed-in tariff which has been in place for just 11 months. I know that the matter is subject to a consultation, but early in my speech I will be bold enough to suggest that the Minister and his team follow the example of the Secretary of State for Environment, Food and Rural Affairs over the sell-off of our forests, ditch the consultation and think again about the whole matter.

The feed-in tariff was designed under the assumption that the cost of a given technology comes down with increases in installed capacity. That has been the case in the solar PV market, and there have been impressive reductions in cost over the past 12 months, thanks in part to the feed-in tariff. I am told that in the past 12 months, market volume and competition have brought UK domestic prices down by at least 20%. In the same period, volatile oil prices have risen by 50%.

Ian Lucas (Wrexham) (Lab): I congratulate my hon. Friend on securing this debate. Is he also aware that 300 new jobs have been created by Sharp Solar in my constituency on the back of the introduction of the feed-in tariff? Is he aware of any other policy that has been so successful so quickly?

Alex Cunningham: I am not aware of any policy that has been so successful so quickly, and I know that across the north-east of England, many jobs have been created as a result of that policy. Many more jobs could be created, but that could change under the Government's change in policy.

The aspiration of the industry—and, I hope, the Government—is to bring the technology to the point where renewable energy will compete with grid electricity without subsidy. To put the matter firmly on the record, I have been told that even BP concedes that electricity from solar PV will be cheaper than fossil fuels by 2020—a startling and very welcome statistic. To be clear, the Government's decision to significantly reduce the tariff for schemes that are larger than 50 kW will cause havoc in this fledgling industry and make it less likely that community groups and schools, hospitals and churches will contemplate solar energy schemes, as they will simply be unaffordable. Schemes over 50 kW in size will see the feed-in tariff reduced by between 39% and 49%.

Justin Tomlinson (North Swindon) (Con): If money is to be limited, does the hon. Gentleman agree that it would be best to prioritise larger-scale projects that offer a better return for the taxpayer and help to achieve our goal of increasing renewable energy?

Alex Cunningham: I will come on to some of those specific issues about the size of projects and the tremendous fear that the Government seem to have about larger projects, which could be controlled in the way that the hon. Gentleman mentions.

A 50 kW scheme is not a large scheme in any way, shape or form, despite what the Government would like us to think. We are talking about an area that is just the size of two tennis courts—hardly the large solar farms that the Government claim to be worried about. But do not just take my word for it. The Government should be listening to the Renewable Energy Association, which says that the industry has been “strangled at birth”, and to the Solar Trade Association, which calls the decision “a total disaster”.

The fact is that solar energy is hugely popular. A study of public attitudes to energy generation technologies that was undertaken by Cardiff university last year showed 88% support for solar PV. It had the highest level of support of all technologies. More than 70% of people agree that supporting renewable energy sources such as solar or wind is a better way of tackling climate change than nuclear power.

Back in 2008, the hon. Member for Wealden (Charles Hendry), who is now a Minister of State in the Department of Energy and Climate Change, stated when speaking about 5 MW projects:

“The idea behind it is to allow the inclusion of non-commercial scale projects, such as those that will be installed by homeowners, small businesses, local authorities, community groups, farmers and others. That would help out hospitals and schools that want to facilitate greater use of renewables and ensure low emissions as part of our 2020 targets.”—[*Official Report*, 18 November 2008; Vol. 483, c. 144.]

I cannot understand why the Government's policy now goes against that very sensible statement. The Government are trying to present the decision as a choice between supporting home owners who want to install solar PV panels, and supporting big, commercial-scale schemes. The reality is that many community groups interested in medium-sized schemes—you know, the big society—will also lose out thanks to the proposed changes to the feed-in tariff.

In my constituency, a local project at the Norton sports complex has been hit hard by the Government's decision. The complex was due to secure much needed funds through the FIT by using some of its previously unused land to install solar PV panels. The project was expected to be 1.5 MW in capacity, meaning that, thanks to the Government's changes to the FIT, it will no longer be viable. I cannot emphasise enough what a disappointment that is. The Norton sports complex does tremendous work in the community, providing sporting and social facilities to local people, but has faced a difficult financial situation in recent years, as attendance at the social club part of the complex, which raises the money, has fallen by 60% thanks to the difficult financial circumstances in which many local people currently find themselves; many are out of work.

The chairman of the Norton sports complex was optimistic that FITs would provide a long-standing income for the complex and guarantee its future, but it will now have to go back to the drawing board, as the Government have pulled the rug out from under its feet.

Justin Tomlinson: I agree with pretty much everything that the hon. Gentleman is raising. He makes the point that a lot of time and money have already been invested in chasing a scheme for which the rules have suddenly changed. That puts groups such as the one that he has highlighted in a very difficult position.

Alex Cunningham: Exactly, and there are countless schemes throughout the country that will now not happen as a direct result of what the Government have done. The Norton sports complex is only a few hundred yards from where I live, but I have been told of many projects further afield that were in the pipeline but will now fall by the wayside.

Ian Lucas: I want to pick up on the point made by the hon. Member for North Swindon (Justin Tomlinson) and to develop the point being made by my hon. Friend. The worst aspect is that the stable business framework that was in place previously has been wholly undermined by the Government's decision. Does my hon. Friend agree that stability for business investment is hugely important and that the decision drives a coach and horses through the Government's pretensions to be providing a stable framework for business?

Alex Cunningham: Indeed I do. The industry was excited by the scheme that was put in place by the previous Labour Government. It saw real possibilities. I will go on to talk about jobs and the effects that the industry has had in Germany.

Craig Whittaker (Calder Valley) (Con): On the point about uncertainty, I accept what has been said, but does the hon. Gentleman not agree that the REA, 165 of whose member companies are from the solar PV technology industry, has come out firmly and said that the review is the first step in a process that should ultimately end all uncertainty around these schemes?

Alex Cunningham: I do not think that the process will end any uncertainty. We will simply be saying to people, "Look, just walk away, because it won't be financially viable for you to develop the sorts of project that you have in mind." The Government policy is wrong. We need to ensure that the incentives are in place to develop these projects.

In Herefordshire, work is under way on a 300 kW installation on farm buildings that will not be viable when the new tariffs come into effect. Similarly, the UK's first ever community-owned solar power station is due to be launched in Lewes in April and is expected to save more than 40 tonnes of carbon dioxide annually. Without the feed-in tariff, that development, to be built on the roof of a warehouse, will not go ahead either, as it is 100 kW in size.

Heather Wheeler (South Derbyshire) (Con): I thank the hon. Gentleman for securing the debate. Can he expand a little on the thought that there ought to be a difference between companies that are looking to take on this fantastic new way of producing energy for the country and would use it to run their factories, and venture capitalists who might want to jump in on it? Can he not understand that, ultimately, if there is no more money, there is no more money, but perhaps the Government might consider changing the arrangements for companies that are producing energy, so that they will be green companies for the future and will look after their local environment?

Alex Cunningham: With respect to the hon. Lady, that is not what this is about. It is about the feed-in tariff. I am all for companies developing their own solar

power stations on the roofs of their factories or wherever to run their own businesses. They may well have a little surplus that they can feed into the grid. However, many organisations can develop solar power projects without relying on the feed-in tariff at all.

I could go on, but sadly I do not have the time to list all the projects and examples that I have been sent information on during the last few days. The Renewable Energy Association estimated, before the fast-track review of the FIT was announced, that, nationally, 17,000 new solar jobs would be created by the end of 2011. Those jobs are now unlikely to materialise as medium and large-scale projects are axed. At a time when the number of people unemployed stands at 2.5 million, we should be doing everything that we can to encourage the creation of green jobs. The Government's review could end up costing jobs, rather than creating them.

Just as important is the renewables target, which aims to see 15% of UK energy coming from renewable technologies by 2020 under the EU renewable energy directive. We are third from bottom of the list of European countries in meeting our renewable energy targets, and the Government's decision will not help. Many people in the renewables industry are very angry about that decision, and confidence in the Government has been shattered thanks to the mismanagement of the fast-tracked review.

Jeremy Leggett, executive chairman at Solarcentury, has said:

"Since the CSR, I've had numerous conversations with Ministers during which I have been assured that any urgent review of feed-in tariffs would be carried out after publication of a proper trigger and would in any case exclude built-environment PV. The Government has not only betrayed those assurances but today proposed feed-in tariff rates that would ensure the UK PV industry stalls. No renewables company or investor can easily be able to trust this Government again after the u-turn by Ministers who were so quick in opposition to call for a more ambitious feed-in tariff and so ready with empty promises in the early months of Government."

That's quite a condemnation.

I have also been in touch with Eco Age, a company that has been involved in project managing the installation of a number of large 1 MW to 5 MW solar PV systems, which I am told have now all been frozen and are unlikely ever to happen thanks to the FIT review. I am told that just one of the projects—a 1.5 MW solar PV system on the roof of a 550,000 square feet UK super-warehouse—is likely to go ahead. That will be one of the largest roof-based solar installations in the country. Surely it is the type of project that we should be encouraging, but sadly, thanks to the Government's decision, similar projects have now been scrapped. Eco Age makes the important point that large companies that were engaging with the idea of solar PV schemes have, as a consequence, also embraced other more sustainable practices across their businesses in relation to waste, water transport and procurement. That is a welcome development.

Various representatives from the industry have told me that DECC's concerns about large-scale solar farms taking up too much of the FIT are unfounded. Large-scale roof-mounted systems are difficult to develop because most commercial property is leased to the tenant, who is not in a position to grant a lease for the roof to a PV company. Ground-mounted schemes, such as those on farms, are far easier because farmers really understand

[Alex Cunningham]

that we need 25 to 40-year lease arrangements to make developments worth while. Although interest in such schemes has been significant, the industry does not expect many actually to go ahead, because it is anticipated that many will struggle to get planning permission.

Ben Gummer (Ipswich) (Con): The hon. Gentleman is speaking eloquently about large-scale PV schemes, but is not the problem that the previous Government's estimates of the feed-in tariff quantum allowed for zero commercial take-up of large-scale schemes, which is precisely why we have the problem we do? The hon. Gentleman has not even addressed that.

Alex Cunningham: That may well be the case. The industry has been so excited that it has really cranked up its activity in this area, and more and more people are showing an interest in it. The examples in Germany show that we have a real opportunity to grow this industry, and, believe you me, the revenues that flow into the Government's coffers as a result could more than compensate for the money that is being spent.

Ben Gummer: Will the hon. Gentleman give way?

Alex Cunningham: I am going to move on, because I need to get through my speech.

Even if we accept that such large-scale sites are a potential concern, why can the Government not restrict the use of greenfield sites and set a reasonable kilowatt capacity limit to curb industrial-scale developments, as suggested by my hon. Friend the Member for Ogmire (Huw Irranca-Davies)? At a time when oil prices are rising and volatile, and when the nuclear crisis in Japan is highlighting to all the dangers of nuclear power, I am not alone in suggesting that the Government should look at ensuring that popular, green methods of meeting our energy needs get the support that they deserve. Medium and large-scale solar PV schemes can be part of the solution to serious energy security and climate change problems, but the Government seem intent on focusing just on domestic-scale installations.

The REA tells me that the Department has underestimated solar's potential and overestimated its cost. Disappointingly, I do not have time to go into the detail, but this technology has exceptional and proven potential. I am told that in Germany—a country with a climate similar to ours—solar PV could reach grid parity, where no subsidies would be required, between 2013 and 2016, which is just two to five years away. Where will the UK be? Yes, left behind again.

Caroline Lucas (Brighton, Pavilion) (Green): Does the hon. Gentleman agree that Ministers' suggestion that slashing support for the solar industry does not matter because it affects only projects larger than two tennis courts really is ridiculous, given that an average secondary school could accommodate about 80 kW, which is considerably more than the 50 kW produced in an area the size of two tennis courts, which Ministers like to cite?

Alex Cunningham: Indeed. The hon. Lady arrived late, and that was the very example I used when I opened my speech.

The fact is that we face a predicted energy gap in 2017, with power cuts anticipated for the first time since the 1970s. I am told that DECC had a taste of things to come last Thursday, when it was subjected to its own power cut, which meant that officials were unable to print important briefing notes for Ministers ahead of DECC questions on the Floor of the House. Perhaps that is why the Minister of State, Department of Energy and Climate Change, the hon. Member for Bexhill and Battle (Gregory Barker), was so badly prepared for questions that day and used the rather shabby comparison with Germany's tariff scheme when seeking to defend the changes his Department has announced. He said:

"Community-based projects that are larger than 50 kW...and up to 150 kW...will still get a tariff comparable to that paid in Germany."—[Official Report, 24 March 2011; Vol. 525, c. 1068.]

Craig Whittaker: Will the hon. Gentleman give way?

Alex Cunningham: No, I have to finish.

The fact is that Germany's solar industry is far more developed than ours. It has taken the Germans 10 years to build their industry, which employs 65,000 people, and they now have massive purchasing power and control supply chains. That enables them to undercut British construction companies by more than 25%. Indeed, solar generation in Germany exceeded nuclear generation for the first time just last week. The UK is a long way behind Germany, which is why we need to maintain effective feed-in tariffs if we are to have any hope of maximising the potential of this popular technology.

I hope that I have been able to outline the concerns in the renewable industry about not only the changes to the feed-in tariff, but the Government's reluctance to acknowledge the real potential of solar energy. The decision to make medium-sized solar PV developments above 50 kW unviable is frankly bonkers. It is clear that the Chancellor, not the Energy Secretary, is dictating DECC policy, because the arguments put forward by Ministers for this shift in policy make no sense to those I have been in contact with in the renewables industry.

The fact is that this decision is dictated by the Treasury, not DECC. The spending review committed to finding £40 million—10%—of savings from the feed-in tariffs. We all know that the Tory-led Government are cutting too far and too fast—[Laughter.] We all get that in. The fact that the Government are cutting too far and too fast was made clear this weekend, when 250,000 people took to the streets of London to protest against the scale and pace of the cuts. The provisions we are discussing are one more victim of that ideologically driven policy.

We were told this would be the "greenest government ever", but I think that that will be added to their growing list of broken promises, given that energy policy is now being dictated by the Treasury. It is time for the Government to admit they have got this one very wrong, choked off many schemes at birth, turned enthusiastic potential developers away, broken promises to the industry, lost the opportunity to create thousands of jobs and set back our chances of ever meeting our renewable energy targets. I hope to get an assurance today that the Government will start listening to the industry and the many others who will doubtless respond to the consultation on feed-in tariffs, as well as to organisations such as the Norton sports complex.

In summary, I would like to pose three questions. First, how do the Government propose to restore confidence in their renewable policy, which has been severely shaken thanks to the shambolic way in which the decision on feed-in tariffs has been handled? Secondly, what is the Government's long-term vision for solar PV? Evidence from other countries demonstrates that it has the potential to play a significant part in renewable energy provision, yet the Government's policy is geared towards sidelining it as a purely domestic, small-scale technology. We are not being ambitious enough when it comes to solar PV. Finally, will the Government promise today to listen to the industry during the consultation, because it is very angry about this unexpected change in policy? Will they then act to ditch that ridiculous change in policy? If not, they risk alienating not only the solar sector, but the whole renewables sector.

12.47 pm

Mr Shailesh Vara (North West Cambridgeshire) (Con): May I start by apologising on behalf of the Minister of State, Department of Energy and Climate Change, my hon. Friend the Member for Wealden (Charles Hendry), who, for reasons I have explained to the hon. Member for Stockton North (Alex Cunningham), is unable to be here today?

May I also congratulate the hon. Gentleman on securing the debate? He has a long-standing interest in the subject and has forcefully and passionately put on record his views. I thank other Members who have taken the trouble to come to the debate, including the hon. Members for Wrexham (Ian Lucas) and for Brighton, Pavilion (Caroline Lucas), and my hon. Friends the Members for North Swindon (Justin Tomlinson), for Calder Valley (Craig Whittaker), for South Derbyshire (Heather Wheeler) and for Ipswich (Ben Gummer). I am grateful to everybody for having come along today and made this an interesting debate.

I have certainly taken on board what the hon. Member for Stockton North has said and I will endeavour to reply as best I can to the points that have been raised by him and others. To the extent that time limitations and other factors do not allow me comprehensively to reply now, I am more than happy to ensure that I or my hon. Friend the Member for Wealden give a proper reply subsequently.

The coalition Government are committed to renewables, particularly to meeting our European Union target of ensuring that 15% of all energy comes from renewable sources by 2020. The spending review shows that we are delivering on being the "greenest Government ever" and that we delivered an excellent settlement for renewables, which underlines the priority that the sector constitutes for the Government. Support for large-scale renewable electricity under the renewables obligation will be maintained over the spending review period, with the budget due to rise to £3.2 billion by 2014-15.

Heat makes up 49% of UK greenhouse gas emissions. It has long been neglected and requires significant investment.

Ian Lucas: I am glad that the hon. Gentleman, who is a reasonable man, is responding to the debate, and I hope that we will see some sense on this issue. I have campaigned on it for many years, but, for a long time, I

did not get a lot of sense from the Government of the day. However, has he seen the article in today's *Financial Times* about private investment in clean energy plunging in 2010? Is he not concerned by the reaction of investors, including Sharp in my constituency, to the announcement, which will strangle private, rather than public, investment?

Mr Vara: I am grateful to the hon. Gentleman for his contribution. I remind everyone that we are in difficult economic times. Every area has to be looked at, including this one, where the review has been brought forward. We are keen to emphasise that there is no cut-off up to 50 kW. That will cover the majority of the domestic market, which we are keen to protect. I hear what the hon. Gentleman and the hon. Member for Stockton North have to say, but I am keen to emphasise that there is a cut-off point, which will ensure that, to a large extent, the domestic market is protected.

The renewable heat incentive, which will go ahead in 2011, represents more than £850 million of investment over the spending review period. That will drive a more than tenfold increase of renewable heat over the coming decade, shifting renewable heat from a fringe industry firmly into the mainstream. To prioritise those critical projects, we have needed to take hard decisions, reducing budgets to focus on the most important, and looking to reduce the burden on the bill payer. We will save money on support for small-scale electricity through feed-in tariffs, to prioritise the most cost-effective technologies and maximise value for money.

Justin Tomlinson: I understand the difficulty with pressures on budgets and the need to get the best return for the taxpayer. Surely the larger-scale schemes offer the better return to the taxpayer in terms of renewable energy produced and cost to install. Surely we should be considering those as a priority, perhaps at the cost of the domestic schemes.

Mr Vara: Clearly, many will argue that the domestic market has a priority; others will argue in the same way as my hon. Friend. A decision has been taken, though clearly this will be reviewed regularly. It is not definitive, it is an ongoing matter.

Richard Graham (Gloucester) (Con): Will my hon. Friend consider asking Ministers whether they would contemplate allowing the same feed-in tariffs to community buildings, including sports clubs and other local organisations, rather than large-scale commercial manufacturing of solar power?

Mr Vara: I am more than happy to pass that on to the relevant Minister. I hope colleagues will forgive me: I have about eight minutes and I wish to make progress.

The coalition is determined to drive a step change in ambition for the deployment of decentralised renewables and clean microgeneration technologies. As part of that, we are fully committed to feed-in tariffs for small-scale, low-carbon electricity generation. To meet our 2020 and longer-term targets we need to make the best use of all technologies that deliver renewables. Solar photovoltaic is part of the total picture. We expect that it will deliver a relatively small proportion of the overall total, but it can make a real contribution, especially at the household and community scale.

[Mr Vara]

Solar PV has the advantage of being the only renewable technology that can be delivered easily at scale in the domestic context. It can be deployed quickly and does not have the disadvantages of noise and other local impacts, and at the small end of the scale does not need complex and expensive grid connections. Through permitted development rights, microgen-scale solar PV does not need planning permission. It can provide a range of benefits to the wider green agenda by engaging households and communities in the energy that they consume, and taking action to reduce their carbon footprint. Solar PV can work hand in hand with other initiatives, including the green deal.

It is important to remember that solar PV can be deployed on a range of scales. That can be small systems of 2.5 kW on domestic roofs that will provide a typical household with about half its electricity needs, through community scale schemes on school and hospital roofs of 10s of kW, to industrial scale schemes of several megawatts in fields or on warehouse or factory roofs. We need to question whether all those types of installation are appropriate for bill payers' support at the current level of technological development. That is why we have launched the comprehensive and fast-track reviews of the FITs scheme.

Alex Cunningham: The hon. Member for Gloucester (Richard Graham) mentioned sports complexes, as I did. There is one in my constituency that is considerably bigger than the Government want to support in the future. Does the hon. Gentleman not have sympathy for that sort of local sports organisation, which could make a major contribution to the community and green energy?

Mr Vara: With respect to the hon. Gentleman, I would like to think that he did not really mean to say that the Government are not supporting it. The Government are supporting it, but have to take a decision at the moment to have the cut-off point at 50 kW. That will clearly be reviewed on a regular basis, because that is the way forward. We recognise that, but, as the hon. Gentleman will appreciate, we have constraints given the current economic climate.

The first anniversary of the FITs scheme is fast approaching and we have been pleased with the success to date, which has seen more than 20,000 PV installations registered for FITs. When the FITs scheme was introduced by the previous Administration, it was made clear that all aspects of the scheme, including tariff levels, would be subject to periodic reviews and that, if necessary, early reviews could take place. I would add that the previous Administration were able to pass the measure because it was a cross-party matter, which had the support of the Conservative and Liberal Democrat parties.

"Feed-in tariffs: Government's Response to the Summer 2009 Consultation" made that clear, and also provided examples of what reviews would consider. The context for the first review of FITs was set by last year's spending review. The review made it clear that there are spending parameters within which the FITs scheme must operate. Put simply, there is no blank cheque for FITs. Particularly in the current climate, it is crucial that we take a more responsible and efficient approach to public subsidy to ensure that consumers receive value for money and new investors are not over-rewarded with public subsidy.

At the time of the spending review, we said that the first review of FITs would take place as planned in 2012, taking effect in 2013, unless higher than expected deployment triggered an early review. However, since then we have become increasingly concerned about the risk that larger-scale solar PV, unforeseen by the modelling undertaken prior to the start of the FITs scheme, could lead to long-term pressure on FITs costs. That risk provides a trigger consistent with the statements made at the time of the spending review.

Therefore, last month the Secretary of State announced the start of the first comprehensive review of FITs. As well as allowing the concerns mentioned to be addressed, bringing forward the review of FITs also allows for industry to be provided with certainty, sooner rather than later, about how the savings committed to as part of the spending review will be delivered. Many in industry have been pressing for that.

In the first scheme review, we want to secure the continued success of FITs, through sustainable growth rather than boom and bust. That means enabling industry to grow smoothly within the spending parameters confirmed by the spending review. Starting the review now provides us with a better chance of delivering the aim than allowing unsustainable growth, which might have to be reined in dramatically in the future. Furthermore, by fast-tracking consideration of solar PV larger than 50 kW, and farm-scale anaerobic digestion, we can address urgent concerns that have arisen.

The fast-track review is looking at FITs for solar PV above the microgeneration threshold of 50 kW. Solar PV microgeneration of up to and including 50 kW is not within the scope of the fast-track review and is therefore not being considered by this consultation, but will be considered as part of the comprehensive review.

I am mindful that time is pressing. I say in conclusion regarding the three points raised by the hon. Member for Stockton North that we believe that confidence is important, and we will continue to monitor. We firmly believe that by protecting the domestic market, confidence has not been damaged. On a long-term basis, this is the way forward, and we will continue to monitor. In response to whether the Government will listen, of course we will listen. We have listened today and will continue to do so. I am grateful to the hon. Member for Stockton North and all other hon. Members and hon. Friends who have taken the time to make their voices heard.

Carmel Bloom

I pm

Mr Lee Scott (Ilford North) (Con): I start by thanking everyone involved in allowing me this debate. Many times in the six years in which I have been honoured to be a Member of Parliament, when people have come to me with a case of a medical nature, I have regrettably had to say that I could not assist them because there was no way to take the case forward. I want to make it clear that this case is not one of them.

I shall start with a brief case history, and the family's attempt to understand how a normally fit woman went from being perfectly healthy to tragically losing her life during an everyday, routine procedure from which, I am told, no one has ever died. Carmel Bloom, a healthy 54-year-old woman, walked into Bupa Roding hospital on the evening of 27 August 2002. She was found to be suffering from pain in her left side, and was therefore admitted as an in-patient. Earlier that evening, she had gone to the accident and emergency department at the King George national health hospital in Ilford, but because there was a 14-hour wait, she had gone on to the Bupa hospital.

The following day, 27 August, a scan and blood test showed that she had a urinary tract infection and that a stone may have lodged in her lower left urethra. The following evening, exactly 24 hours later, an everyday procedure was commenced in an effort to bypass the blockage and enable the free flow of urine. That was done by inserting a JJ stent—a small J-shaped rubber tube—into her urethra.

Seven hours after the procedure, Carmel was transferred by emergency ambulance to the intensive care unit at the NHS Whipps Cross university hospital. During the transfer, Carmel collapsed into an irreversible coma; she never regained consciousness. Tragically, 10 days later, on 8 September 2002, her life-support machine was switched off, and she was certified dead. Carmel's family has spent nearly nine years trying to discover what happened on that fateful night, and to understand how a normally fit and healthy woman could die of an everyday complaint with which, I am told, no fatality statistics are associated if it is properly treated in a hospital environment.

The family told me that following Carmel's admittance to Whipps Cross university hospital's intensive care unit, it quickly became apparent that the doctors and nursing staff were ill at ease, and I am told that they became quite agitated when asked for further particulars of Carmel's condition by Carmel's sister-in-law. I should explain that she is a qualified medical doctor; she resides in Canada, which is why that had to be done by telephone. Which one of us, if we had a qualified doctor in the family, would not ask that person to request information? However, the doctors refused to accept any further calls from her after she requested further details of Carmel's condition and treatment. I cannot say why that happened.

On 9 September 2002, Carmel's death was referred to the Walthamstow coroner, as it had become apparent that her death was anything but straightforward. The following time line demonstrates the due process that the family were obliged to follow in their quest to find out how and why Carmel died. As you will hear, my involvement came seven years down the line, as I was

not Member of Parliament for Ilford North at the time. Nearly nine years after Carmel's death, the evidence shows that questions about the causes of her death have still not been properly answered. A number of agencies come into play, but today I shall restrict my comments to the health aspects of the case. At a later date, I shall seek to revisit other justice matters.

In 2002, the first inquest was adjourned; coroner Dr Stearns stood down because of a conflict of interest. In 2003, the inquest was adjourned again; Dr Dolman, the second coroner, stood down but refused to disclose his reasons. In 2003, the third coroner, Andrew Walker, brought in a verdict of death by natural causes. In 2003, the Home Office suggested that application be made for a new inquest.

In 2003, Lord Goldsmith, the Attorney-General, intervened. In 2004, he granted consent for the High Court to quash the inquest verdict of natural causes. In 2004, in the High Court, Lord Justice Tuckey quashed coroner Andrew Walker's verdict, and ordered that a new inquest be held with a jury. In 2005, the inquest jury overturned the natural causes verdict, finding that a series of failures had contributed to Carmel's death.

In 2006-07, the Healthcare Commission investigated Bupa Roding hospital. I should say that it is no longer a Bupa hospital. The commission found a series of shortcomings and a serious lack of training and equipment in the hospital, together with false reports being given to them following Carmel's death. The commission brought no charges against the hospital, stating that it had no power to act in retrospect. Following the investigation, Bupa sold its 26 hospitals.

In 2007, the General Medical Council started an investigation into the conduct and fitness to practise of Mr John Hines and Dr Paul Timmis. In 2007, the London ambulance service disclosed previously withheld evidence—the AS/1 emergency call receipt document and Bupa Roding Hospital's 999 tape recording. I have seen the transcripts and heard the tape, and there is a gap of approximately 15 seconds in the recording; to the best of my knowledge, it remains unexplained to this day.

In 2007, the police began an investigation into Carmel's death and looked into Bupa's alleged false report to the Healthcare Commission on the events that led to her death. As I said earlier, I shall not speak about the police at this stage, except to say that, between 2007 and 2009, the Ilford criminal investigation department referred the case to the Metropolitan Police Service's homicide and serious crime command unit, following the discovery of new evidence. In 2008 and 2009, the homicide unit referred the case to the Crown Prosecution Service. In March 2008, Bridget Matthews, the night sister on duty at Bupa Roding hospital on 29 August 2002 and the nurse in charge, was interviewed under caution by the Met's homicide and serious crime command unit, SCD1.

In 2009, the Ministry of Justice investigated a complaint against the 2005 coroner. It was said that the coroner withheld key evidence from the inquest jury. Unfortunately, however, no inquiry took place; the judicial review office cannot investigate coroners' non-disclosure of evidence to a jury. The non-disclosure of evidence enabled the court to understate Carmel's condition, but that issue is not the object of today's debate. I became involved in 2009, when my constituent's family came to

[Mr Lee Scott]

see me. I intervened, and approached the right hon. Member for Blackburn (Mr Straw), then the Secretary of State for Justice.

In 2010, the General Medical Council's fitness to practise hearing against Bupa doctors Mr John Hines and Dr Paul Timmis commenced. At that stage, I wrote about the case in my newspaper column and in articles, and I thank the *Ilford Recorder* and the *Wanstead and Woodford Guardian* for printing them. In my writings, I asked if anyone had information relating to Carmel's tragic death. I pay tribute to Julie Moody, who came forward as a whistleblower. She made a statement, which caused her great difficulty; that was done at great cost to her personal and professional life, and I record my gratitude for her bravery. She displayed enormous courage and compassion. She was a senior nurse and an ex-employee at the Bupa Roding hospital. She contacted me with vital new evidence about Carmel's treatment during the night following her operation. I provided this new evidence to the Ministry of Justice and the Met borough commander, but it was withheld from the GMC's fitness to practise panel hearing against Mr Hines and Dr Timmis. The GMC decided to proceed with the hearing, even though a whistleblower had come forward, casting new light on Carmel's treatment at the Bupa Roding hospital, with evidence of serious negligence during Carmel's operation. Entirely inappropriate post-operative treatment was also alleged.

Let me read out the remit of the General Medical Council:

"Our statutory purpose is to protect, promote and maintain the health and safety of the public by ensuring proper standards in the practice of medicine."

It is vital, not only in this case but a number of cases, to decide whether the GMC is a union for doctors—if it is, fine—or whether it is there to represent patients' interests.

In 2010, the Council for Healthcare Regulatory Excellence considered an appeal to the High Court against the GMC hearing's decision not to prosecute or even issue a warning against the two doctors, even though, between them, they pleaded to, or were found guilty of, 79 charges, including one where the doctors' conduct was so serious that it increased the risk of Carmel suffering hypoxia—I apologise for any mispronunciations of medical terms; I know that the Minister is medically qualified, but I am afraid that I am not—cardiac arrest, brain damage and/or death.

In 2010, there was an unsuccessful appeal against a decision of the Independent Police Complaints Commission. The Metropolitan Police Service's homicide and serious crime unit interviewed the night sister. In an extraordinary development that has still not been explained, the night sister said in her statement that she had been given the whistleblower's highly confidential statement. That statement had been given only to me—I immediately put it in a solicitor's safe in north London—the police and the Ministry of Justice. I cannot explain how that could have possibly happened.

In 2010, the Crown Prosecution Service was approached for the third time by homicide detectives who were considering instituting a criminal prosecution, but the CPS failed to reopen the case. In the same year, the GMC referred the Bupa nurses to the Nursing and Midwifery Council for misconduct in relation to the

care and treatment of Carmel, leading to her death. Bupa's resident medical officer, Dr Darko, was also referred to the General Medical Council. Further evidence from the whistleblower—Julie Moody—and a 500-page report were provided to: the Met's homicide unit; my right hon. Friend the Secretary of State for Work and Pensions; my right hon. and learned Friend the Lord Chancellor and Secretary of State for Justice; the General Medical Council; the Nursing and Midwifery Council; and myself.

All the way along the line, the family, who have suffered great distress over a prolonged period of time, have said that they simply want to know what happened, and want closure. That is why they asked for my assistance, and I have been trying to help to the best of my ability. We are awaiting a number of key developments: the Attorney-General's consent to apply to the High Court for a fresh inquest; the outcome of a Nursing and Midwifery Council action against the two Bupa nurses; a decision to call for a full police investigation into the death of Carmel Bloom; the GMC's decision to recharge the two doctors involved; and the decision by the health service ombudsman regarding the London ambulance service's actions and the part that it played.

I have a number of questions for the Minister. I appreciate that she will not be able to answer them today. I let her see a copy of what I was intending to say last night, but it was too late for her to get any replies to me. The family are concerned that the GMC, the Nursing and Midwifery Council and the Healthcare Commission did not investigate the causation of death. I am not making any accusations against anyone; I am neither a lawyer nor a doctor. None the less, there are so many questions that need to be answered before the poor family can move on and have closure.

The coroner at the 2005 inquest wrongly withheld key evidence—I cannot give any reasons for that; I am not making accusations—contained in the London ambulance service's emergency 999 call receipt document, to which I referred. That evidence was introduced into the inquest's rule 37 bundle as an exhibit, but the detail and significance of this document was never pointed out to the jury. The information in that 999 call, which was made by the Bupa Roding hospital to the ambulance service, is significant.

The fact that there is a two-tier legal system is clearly demonstrated by the shocking and disproportionate lack of prosecutions. I am not saying who should or should not be prosecuted, or even whether anyone should be prosecuted. As I have said, I do not have the ability to go into that. However, there are so many conflicting reports and unanswered questions.

Before a fresh inquest for Carmel can be held, some medical personnel must be questioned and a number of medical documents must be disclosed. The X-rays taken during Carmel's procedure, which would have shown the condition of Carmel's kidney, have been removed from the hospital's notes. The chest X-rays taken on Carmel's arrival at the intensive care unit would show the condition of Carmel's lungs. The hospital notes state that on her arrival, Carmel had a maximum four-star pulmonary oedema—fluid in her lungs—and no heartbeat. She was cold to the touch, had shut down, and her pupils were fixed and dilated. Forgive me—I am a layman—but those symptoms suggest to me someone who is, sadly, deceased. The operating department assistant

anaesthetist who was present during Carmel's botched operation needs to be questioned, and we need to know the identity of the radiologist who took the X-rays during Carmel's operation. An investigation is also needed properly to establish the true identity of the anaesthetist who accompanied Carmel in the ambulance.

Let me stress again that Carmel was not suffering from a life-threatening condition. It was a regular occurrence that could happen to any one of us in this Chamber today. If a person dies unexpectedly in a hospital and relatives suspect wrongdoing, negligence or criminality, there is no Government body or organisation—apart from the police, who refused to get involved—willing to assist.

One of the difficulties that I have found with this case is that it falls under the remit of a number of Departments, which is why I have not included certain aspects of the case in my speech. The Minister could not be expected to respond to them, so I will have to revisit them at a later date. I will wind up, because time is moving on and I want the Minister to have the opportunity to reply. Let me, in a removed way, make my own comments. During this case, I have been moved by the dignity of the family and the whistleblower. There have been times when the family have been under great pressure and stress, and I have had to explain that there are things that I can do, and things that I cannot.

When I first met the family more than two years ago, I pledged that I would stick with the case to try to get the answers and the closure that they need and deserve. I pledge again today that I will stay with the case. When this first started, I received a phone call warning me off the case. To this day, I do not know who that was or what their reason was. I do not pretend to be a remarkably brave person, but if I give my word, I stick to it. I brought this case before the Chamber today, and I feel honoured to have done so. I thank you, Miss McIntosh, for your time and await the Minister's response.

1.18 pm

The Parliamentary Under-Secretary of State for Health (Anne Milton): It is a pleasure to serve under your chairmanship, Miss McIntosh. I congratulate my hon. Friend the Member for Ilford North (Mr Scott) on securing this debate. He has set out, with considerable passion, some of the detail that led to the death of Carmel Bloom following her operation to remove a kidney stone. It was a moving speech and I commend him for the support that he has given to Ms Bloom's brother, Bernard, who has worked tirelessly to try to establish the sequence of events that led to his sister's death.

My hon. Friend has worked tirelessly to give support not only to Ms Bloom's brother but to the family. I should like to take this opportunity to extend my sympathies to the family. Being unable to find out the circumstances of Ms Bloom's death or to get any closure is a terrible burden to live with.

As my hon. Friend has eloquently said, there have been numerous investigations and inquiries into the treatment that Ms Bloom received. I know that in 2002 there was a coroner's inquest that recorded a verdict of death by natural causes. The second post mortem did not provide conclusive statements and a further inquest in the presence of a jury found the cause of death to be

"progression of pre-operative infection following surgery, to which the absence of post-operative intubation, ventilation and monitoring contributed."

However, none of those investigations or inquiries has brought the closure that is required by the family, or a feeling that they have found out the true circumstances of what happened.

As my hon. Friend has said, there were fitness to practise hearings into the behaviour of two clinicians, but those hearings found that the failings of neither clinician amounted to misconduct. The hearings came to the judgment that it was not necessary to issue a warning in either case. As I say, none of those investigations or hearings has resulted in an explanation that has satisfied my hon. Friend or indeed Ms Bloom's relatives.

I have nothing but admiration for people who pursue answers to questions, sometimes, sadly, in the face of considerable adversity. Unfortunately, it is really down to their tireless efforts that we learn more and more about the failings of systems. What is important is that we ensure that we learn lessons and that those failings do not happen again.

As my hon. Friend said, Mr Bloom has taken up his case with the Metropolitan Police Service and so my hon. Friend will appreciate that, in the light of ongoing inquiries, I cannot comment further on any police action. I know that that might be a disappointment to Mr Bloom, but it is essential that due process is allowed to take its course free from interference from the influence of Government Ministers.

I also want to commend my hon. Friend for his tribute to Julie Moody. Whistleblowers, for want of a better word, are an important part of this process and we have strengthened the protection of people who have information that we feel is important. That information, when it reflects on the safety and efficacy of treatment, is absolutely vital and it is important that those people are protected.

Services provided by independent hospitals such as the Spire Roding hospital are subject to regulation and inspection. All health care providers in England, whether they operate in the independent sector or in the NHS, are subject to both professional regulation and system regulation. It is important that those things work and are effective.

Health care professionals are required to be registered with their relevant professional regulator. As my hon. Friend knows, in the case of doctors, that is the General Medical Council. He is absolutely right that the GMC's purpose is not to act as a trade union—the British Medical Association is the trade union for doctors—but to protect, promote and maintain the health and safety of the public by ensuring proper standards in the practice of medicine. It does that by controlling entry on to its register, and by setting standards for medical schools and postgraduate education and training. The GMC registers doctors to practise in the UK and, where necessary, it has the power to issue warnings, remove a doctor from the register, suspend a doctor or place conditions on a doctor's registration.

Interestingly, in preparing for this debate, I got out some figures about the GMC. In the last year that we have figures for, the GMC undertook 270 fitness to practise hearings, which resulted in 68 instances of doctors being struck off the register and 77 instances

[Anne Milton]

of doctors being suspended. I think that those figures give my hon. Friend some idea of the sort of activity that the GMC is engaged in.

At the time of Ms Bloom's death, independent hospitals were registered with the then Commission for Health Improvement, but since that time a new system of registration has been introduced, which focuses on the outcomes of care that matter most to patients. Although I will not be able to respond to all my hon. Friend's comments and questions today, it is perhaps important for me to set out some of the changes that have been made.

All health care providers are required, as part of their registration with the Care Quality Commission, to have an effective complaints mechanism that will enable them to learn from the experience of patients. That is an important point to make. Often we cannot change what has happened and we cannot always correct mistakes. People want to know what happened, but most importantly they want to know that things have changed as a result of what has happened to them or to their family and that lessons have been learned.

In the first instance, a complaint would be considered by the provider itself. In the case of the Spire Roding hospital, if a complaint is not resolved to the satisfaction of a patient at the hospital level, I understand that an independent review can be requested from Independent Healthcare Advisory Services. On 1 October last year, the registration of independent health care providers was transferred to the new registration system operated under the Health and Social Care Act 2008. Under that new system of registration, all providers of a regulated activity—whether they are privately or publicly funded—are legally required to register with the CQC. Providing a regulated activity without being registered is indeed a criminal offence and in order to be registered a provider has to meet and must continue to meet 16 registration requirements. Those requirements set out the essential levels of safety and quality for the provision of health care and adult social care in England. Those are essential levels of safety and quality, and as I have said already they focus on the outcomes that matter to patients and all service users.

Where a provider provides services that do not meet those essential levels of safety and quality, the CQC now has additional enforcement powers that were not available in 2002. For example, it can now issue a warning notice for non-compliance and a new financial penalty notice can be issued in lieu of prosecution

through the courts. In extreme cases, the CQC has the power to close down a specific service or ward, or to cancel a provider's registration and/or to bring a prosecution for non-compliance. If the CQC does bring a prosecution, the courts are now able to impose a larger fine of up to £50,000 where a provider has failed to meet essential levels of safety and quality. Those powers should provide some assurance to patients and service users that wherever they access health and adult social care they will receive a service that at the very least meets essential levels of safety and quality.

The CQC is risk-based and it should be a transparent regulator. That transparency is very important. Its inspections are informed and guided by the intelligence that it gathers about providers, and its inspection reports are publicly available on its website. I understand that there have been three inspections of the Spire Roding hospital in the last few years and that there were two inspections in 2009.

I can assure my hon. Friend that we want robust and effective regulation of health care providers and that we want to improve current arrangements. The health reforms that are currently before Parliament will strengthen the role of the CQC, by giving it a clearer focus on regulating the essential levels of safety and quality. In addition, we have also set up HealthWatch as a new and powerful consumer champion for users of health and social care services. It is very important that that voice for patients and the public is heard. HealthWatch will be established as a committee of the CQC and it will provide a direct route for the views of service users to reach the regulator.

Mr Scott: Would the Minister be willing to get back to me on the points that time obviously has not permitted us to cover today?

Anne Milton: I know that time is running out on us and I will certainly get back to my hon. Friend. My door and the doors of other Ministers are always open if it would be useful to have a meeting to clarify some of the issues that we have discussed. Of course, as I have said we cannot necessarily interfere in processes that are already under way.

I know that what I have said today will not change things for Ms Bloom's brother and the rest of her family and friends, and I also know that the ripple effect of a case such as this one goes far and wide. Sadly, what I say today cannot provide the closure that they want, but hopefully I can work with my hon. Friend to give him and Ms Bloom's family and friends some of the answers that they so desperately seek.

Road Vehicle Wheel Safety

1.29 pm

Paul Goggins (Wythenshawe and Sale East) (Lab): It is good to see you in the Chair this afternoon, Miss McIntosh, and I am very grateful to have this opportunity to highlight the growing concerns about wheel safety, in particular in relation to commercial vehicles. I do so having been alerted to the lack of an adequate system for checking and inspecting heavy goods vehicle wheels by a company based on the Sharston industrial estate in my constituency. Motor Wheel Service is the largest distributor of HGV wheels in the UK and across Europe.

I am also grateful to the Minister for how he has responded thus far to my concerns. We have corresponded, and have met industry representatives to discuss the issue. Although I have yet to convince him of the need to take further action, I know that he is still listening and that he takes road safety extremely seriously.

I had always assumed that wheels and tyres were regulated in the same way, since the safety of one clearly has a direct impact on the other. Tyres are closely regulated; they all have an E-mark, which is a number printed on the tyre wall confirming that it is approved and meets certain standards. When it comes to wheels, however, there is no registration or marking, no regulated standards, and no testing or checking. It is an offence to fit and supply defective or unsuitable parts, but the problem is that people do not know whether a wheel is defective because the monitoring system is so weak.

As it stands, a wheel could be damaged in a serious accident and yet be back out on the road the very next day fitted to a different vehicle, without any inspection or accountability. The Vehicle and Operator Services Agency has never been tasked with routinely inspecting wheels when checking HGVs and, although I have no doubt that it would view the loss of a wheel in an accident very seriously, in other incidents it rarely looks to see if wheel failure has caused the problem. I accept that in the past there might have been less to worry about because of the very limited number of manufacturers and suppliers in the field, but the situation is changing, and wheel suppliers suspect that over the past three years there has been an annual increase of approximately 10,000 substandard and potentially hazardous second-hand HGV vehicles entering the UK market. The fear is that in difficult times companies will be tempted to cut costs and use wheels that are not fit for purpose, which would not only undercut legitimate business but put public safety at risk. There has also been a rise in the number of commercial vehicle wheels sourced from the far east entering the UK without any requirement to meet minimum standards of design, safety or maintenance. These wheels have no history or traceability but can be sold by anyone in the UK, with no requirement for technical procedures to assess their history.

An HGV wheel can be damaged in a number of ways. Dents and cracks can be caused by over-tightening the wheel nuts, and wheels can be involved in collisions or constantly pounded on kerbs and in the potholes with which we are all too familiar. They can also rust and suffer wear and tear as a result of age, weather or road surface conditions. The implications of purchasing a faulty wheel are enormous. A 45-tonne lorry travelling

at 55 miles an hour can cause serious damage if a tyre fails, and numerous measures are in place to prevent that. It simply cannot be right that similar measures are not in place to prevent wheel failure from causing exactly the same type of damage.

Burton Copeland, a leading criminal practice in the north-west of England, has warned that the absence of regulation and testing would be no defence if HGV wheel failure caused a death and if an investigation by the Health and Safety Executive found that the company concerned had not carried out its own risk assessments or, perhaps as a cost-cutting measure, had fitted faulty second-hand wheels to the vehicle. In Burton Copeland's view, if there was evidence of negligence, the company director responsible could face a police investigation, and even a charge of corporate manslaughter.

People in the industry should take their responsibilities seriously, and I know that wheel suppliers are playing their part in educating their customers about the risks of failing to adopt high standards. Nevertheless, the Government's own monitoring and testing system should do more to hold companies to account and to prevent accidents from happening in the first place.

In our meeting last November, the Minister promised to review the available evidence. I was very grateful that he commissioned a review, and in a subsequent letter he confirmed that over a 15-year period there had been 23 accidents and a total of 103 cases involving heavy commercial vehicles with recorded wheel defects. It would be helpful if the Minister gave more details of the kind of problems that were identified in the search that his officials carried out. The Minister also told me in that letter that VOSA had identified 60 incidents of defective or fractured wheels. That was in a sample of 197,000 inspections, but the fact that the numbers are small is no reason for complacency. One catastrophic wheel failure could be enough to cause a very serious incident and loss of life.

VOSA's findings are not really a surprise, as it is hardly likely to identify many wheel failures when it does not set out to look for them in its inspections. A hairline crack in a wheel could have disastrous consequences, but would not be picked up in a routine VOSA roadside check. Therefore, although the Department for Transport does not currently believe that wheel failure is a significant factor in accidents involving HGVs, the truth is that no one really knows, because the checks are inadequate. It is not possible for the Minister or his officials to be absolutely confident when the checks are not carried out as thoroughly as they should be.

I pay tribute to my colleague Brian Simpson MEP, who has been raising this issue in the European Parliament, where a draft report on European road safety up to 2020 is currently being considered. As I understand it, paragraph 33 calls on member states to monitor imported accessories and spare parts more closely, to ensure that they meet European consumer protection standards. In the absence of adequate standards and checks, it would be interesting to know what the UK's response would be to such a call, and perhaps the Minister can tell us what the current thinking is. It certainly would not present a problem to his counterpart in the German Government, because there they have adopted a system known as TÜV approval, which includes a comprehensive system of wheel certification—the kind of system that we should seek to develop in the UK.

[Paul Goggins]

In order to make progress, I want to put to the Minister two practical suggestions, to at least make a start down the road to better safety. First, he should identify a senior official in the Department for Transport to act as a point of contact for the wheel supply industry, so that the industry can forward directly to that named individual any evidence of defective wheels. I have learnt from briefings by industry representatives that there are those on the front line of the HGV wheel supply industry who hear stories and come across evidence of faulty second-hand wheels being used irresponsibly. It would be a positive and inexpensive move in the right direction if those concerns could be reported officially and investigated properly, rather than remaining as mere anecdotes. We all know that when tales get told in that way and there is no point of reference for their investigation, confidence can be undermined unnecessarily. We need to have those reports made and proper investigations carried out.

Secondly, I would like the Minister to consider commissioning a year-long trial in one area of the country, in which VOSA would operate an enhanced testing programme, including greater scrutiny of wheel safety. He will argue—perhaps reasonably, based on his evidence—that moving to a full-blown system of enhanced inspection throughout the country is not warranted, especially at a time of difficult decisions about public expenditure, which neither his nor any Department can escape. However, a limited trial of one year in one part of the country could be justified, and would test his assertion that the problem is not widespread.

I do not argue completely against the Minister, as I do not have the evidence, but neither does he. If he were to commission the trial, we could begin to gather evidence to test his assertion. If he is right, I am happy to accept and abide by that, but if a trial such as the one I have suggested produced evidence to the contrary, it would argue for a more developed and widespread scheme across the country. I hope that the Minister is prepared to put his current view to the test. If a trial confirms that there is no major problem, I will be happy to accept the findings. Better than waiting for a catastrophe before taking action.

When we are elected to this place, we come with our own experience and background, and we have the opportunity to raise issues that have become important to us in debates and questions. We meet constituents who reveal issues and problems that we can then bring to Parliament on their behalf. We also learn lessons from companies in our constituencies. I had never even considered wheel safety until a year ago. As I said, I assumed that wheel safety and tyre safety were bound up together, but I have discovered differently. When we find out such information, we are duty bound to bring it before Ministers and ask them to respond. Even when a conscientious Minister such as this one does not want to take action immediately, we do not give up easily. We persist and continue to look for evidence. If, in the end, the evidence does not exist, we accept that, but at least we know that a proper search has been carried out.

The company is based in my constituency on the Sharston industrial estate, close to the M56 and M60, and five miles from the M6. Every day, HGV vehicles pass in front of my house. I am only too aware of what

could occur in all those scenarios if something went wrong. I now have nagging doubts about wheel safety, and I believe that it is important that the Minister follows up the matter. As I said, he is a conscientious Minister who has responded constructively and positively to the questions that I have raised. I look forward to hearing what he has to say and hope that we can take the issue forward in a more thorough way, so that the public can be satisfied that everything is being done to make the vehicles on our road as safe as possible.

1.43 pm

The Parliamentary Under-Secretary of State for Transport (Mike Penning): It is a privilege to serve under your chairmanship, Mrs McIntosh, for the first time as either a Back Bencher or a Minister of the Crown. I congratulate the right hon. Member for Wythenshawe and Sale East (Paul Goggins) on securing this debate. I am not surprised that he put his name into the ballot for a debate after our meetings. It is natural for a Back Bencher to follow up meetings and correspondence with Ministers in that way. I gave him some assurances, which I followed up in correspondence, and I have more evidence today regarding what I promised when I met him and industry representatives.

It is a pleasure to set out the Government's position on wheel safety. Having held an HGV licence for the past 34 years, I have been conscious of the issue for a long time. However, in all the time that I was driving, I never experienced or saw a wheel give way in normal service, except in a road traffic accident. In my 11 years of attending road traffic accidents with the fire service, I never saw a wheel buckle, unless—I will discuss this later—it was due to an ill-fitting tyre or to the vehicle's being overweight. I have seen overweight vehicles on which a wheel could not take the pressure.

Road safety is crucial, and I am pleased that the right hon. Gentleman has raised it. It is one of my passions in life, given my background, and it is a priority for the Government. We have the safest roads in the world, but according to the most recent figures, 2,222 people were killed on them last year. Our roads are not safe enough yet. We intend to build on our history and safety programme. We are developing a new safety strategy, which will be published in the next few months. The overall approach of the framework is to focus on localism and targeted education, particularly remedial education, wherever possible. The right hon. Gentleman mentioned how we educate the industry. The industry has a role to play as well as the Government. We will be publishing on many other road safety issues at the same time, not least the problem of drink and drug driving. I know that the industry is looking particularly at drug driving, and I recently met the representative bodies of the haulage industry to discuss it.

On the specific points, I agreed when we met that I would consider carefully what existing data had been published and what had not. We considered the data for the past 15 years, as the right hon. Gentleman said, and they were fascinating. Of 197,000 roadside inspections, 60 found defective wheels. Admittedly, we do not know at present exactly what those defects were. They may well have been due to over-tightening of nuts or to incidents in which the vehicle was not involved; the wheels could have been transferred. It happens all the time. In salvage yards around the country, one can see it on cars as well as HGVs.

When I met the industry and the right hon. Gentleman, I said that I had considered the risk. That is crucial. We cannot wrap everybody in cotton wool; we must consider the risk. Out of 197,000 roadside inspections, 60 found defective wheels, which represents a failure rate of 0.006%. I am not saying that any risk is acceptable, but that is a pretty low rate. At the same time, we considered an analysis of more than 4,000 heavy commercial vehicle MOTs—in my time, it was called plating, but we have moved on, and everybody understands MOT terminology—in which no wheel was found to be defective. In considering the evidence, it is important that we consider the risk. I have kept an open mind throughout. In 2009-10, the last year for which figures are available, there were 198,000 inspections. We expect the figure for the first eight months of this year to be about the same, and we have found only 33 problems involving wheels. There were a similar number the previous year, and it looks as though the figure this year will be lower, unless we have a surge in evidence, but it does not look as if that will happen.

The reason is, I think, the rigour of annual testing on HGVs. Unlike MOTs, an HGV must have a test every year, no matter how old or young the vehicle is. A brand-new vehicle must have an MOT after 12 months. Anybody in the industry who says that the test is easy or that it is not taken with due rigour has not attended one. If the right hon. Gentleman likes, I will arrange for him to do so, either at VOSA or elsewhere—we are now outsourcing tests to the industry—to see for himself how rigorous they are. Defects are found on a regular basis. I remember vividly how, when I used to come home on leave and do part-time work, I would be asked to take one of the lorries down to the testing centre. It was one of the most frightening experiences that I had ever had. The lorry had been jet-sprayed and sandblasted, everything was spotless and still they found something wrong. That is why, as the junior guy, I used to be sent; the others were frightened of going down there. It is right and proper that the test should be rigorous.

Paul Goggins: The Minister makes a generous offer, and I would be happy to take him up on it, because I would like to test precisely what questions are asked and what examinations take place. I contend that the close scrutiny applied to tyres is not applied to wheels. That is the problem. Will he comment further? It is not surprising that the numbers are so small considering that those questions are not asked and those issues not investigated in the same depth as for other aspects of the vehicle.

Mike Penning: I understand where the right hon. Gentleman is coming from, but there is a difference between a tyre and a wheel—in manufacturing and in actual product. The key to knowing what is going on is not what questions are asked, but visual inspection. Anyone can say whatever they like about where the vehicle has come from, what sort of work it has been doing, and whether it has been off-road or on-road. By the time a vehicle arrives for its plating or MOT, it has been jet-blasted, cleaned and painted, and everything looks immaculate, but if the inspectors get deep into the vehicle, they will find any defects.

The failure rates are also an issue. We are not picking up defects at MOT stage. As I have said, 4,000 had no defects. I accept, as the right hon. Gentleman has said, that they might not be looking closely enough, but one

would still expect more failures for vehicles that are in use on the roads. A failure rate of 0.0004% does not seem to be huge. I promise the right hon. Gentleman, however, that I will keep an open mind.

On priorities in relation to funding and to where we need to put our assets, the right hon. Gentleman asked me to go to the next stage and announce a year-long inquiry into or validation of the issue, but it is difficult for me to do that, because I do not have the evidence that that amount of failure is occurring. If I did, I assure him that I would do not only a localised inquiry, but a national one. However, it has to be evidence based and, at the moment, the evidence is not there.

I have made sure that a senior official at VOSA, which is part of my Department, will be responsible for dealing with complaints, and he will probably be inundated with them. Anecdotal complaints are always difficult. The gossip machine and tribal drums go on and people talk about things, but we will try to identify genuine complaints and concerns. Local authorities also have powers under the Road Traffic Act 1988, and I am more than happy for the Department and my office to be contacted directly. If anybody feels that they have a problem that is not being dealt with or that they think should be taken straight to the top, they can bring it to my Department or office and I assure them that it will be investigated. As the right hon. Gentleman has said, a lot of complaints are anecdotal, but I have to base everything that I do in the Department, especially on road safety, on my evidence base. We have three separate pieces of research. The first mentions 4,000, the second notes 1,900, and it looks as though this year's figure might show that failure rates are lower than they were last year. It is, therefore, difficult for me to respond to the right hon. Gentleman's request.

Trading standards have a role to play, particularly in relation to the concerns about foreign imports. There is a concern about the quality and standards of Chinese imports. We will continue to look at that. I am aware of what the German Federal Government are doing. Their form of Government is different from ours, and I will leave it to others to decide whether theirs or ours is right. We have safer roads than Germany and I am sure that that will continue to be the case. It is entirely up to the German Government if they wish to operate under their own legislation. The general product safety regulations fit in with this. If there is evidence that the products coming in from abroad are defective or sub-standard, we should be made aware of that and we, along with other Departments, will investigate it fully.

It is difficult for me to accept the suggestion that minimum standards like those for tyres be set. If we stand back from the issue, we will realise that tyres are a completely different product. Wheels are solid steel in most cases, particularly on lorries and public service vehicles, while there are myriad different types of manufactured wheel-product for cars. They are a different product. I do not want to ban products that are still serviceable from being transferred from one vehicle to another because of the sheer expense that would cause the industry as a whole. The right hon. Gentleman is absolutely right that the product must be safe. Salvage is a form of recycling. We have all done it over the years. I certainly have—I have been in many a scrap yard over the years to get products that I could not afford directly from the manufacturer.

Paul Goggins: I mentioned in my speech the "E" number system that operates for tyres. Does the Minister think that a similar system would help in relation to wheel safety? If that stamp was on a wheel that was transferred from one vehicle to another, it would at least show that it had met the industry standards.

Mike Penning: That is something that I am more than happy to look at. However, if we compare the failure rates of tyres with those of wheels, we will see that they are a very different product.

The right hon. Gentleman has asked me to look at two specific points, but I am sure that he will come up with more at a later stage. I do not say that in a derogatory manner, because that is the nature of a campaign. I cannot agree to do a specific year-long report, because the evidence from the three reports—this year's report is about eight months in, so we will get its figure pretty soon, in about four months—do not show the failure rate to be as significant as the industry feels so passionately that it is. As I have said, I am more than happy for a senior official in VOSA to be the point of contact. If anybody thinks they have a defective product, not only do I encourage them to go to their local authority, but I am more than happy for them to report it to my own office and Department.

To reiterate, if there is a concern, we have to carefully look at the risk and make sure that it is evidence based. I know that this will be a disappointment to the right hon. Gentleman's constituent and his business, and to the right hon. Gentleman himself, but I do not see the evidence to support Government expenditure on a further plan. I will, however, keep a close eye on the evidence that my Department receives. The way in which the right hon. Gentleman has raised the issue today, in correspondence and in meetings means that it certainly will not leave my eye for a considerable time. VOSA knows full well—my officials are present—that this is something on which I intend to keep a close eye, but the situation will not change unless the evidence changes to show that the failure rate is more significant. I apologise for citing the figure 0.0004% a few moments ago. The actual figure is 0.0006%.

I hope that the right hon. Gentleman understands my and the Government's position. I congratulate him on his campaign and on bringing it to the Chamber's attention today. I will work closely with him, based on evidence, but at the moment, I think the industry is doing fine.

Question put and agreed to.

1.57 pm

Sitting adjourned.

Westminster Hall

Wednesday 30 March 2011

[Mr GRAHAM BRADY in the Chair]

Children with Special Educational Needs

Motion made, and Question proposed, That the sitting be now adjourned.—(Mr Goodwill.)

9.30 am

Alun Cairns (Vale of Glamorgan) (Con): It is a privilege to serve under your chairmanship, Mr Brady. I am delighted to have secured this debate on provision for children with special educational needs. The Table Office has advised me that at the outset I should declare an interest: my wife is a lawyer who specialises in educational matters, particularly in representing children with special educational needs. It was her frustration and my outrage, on hearing reports from parents, that sparked my personal interest in this subject, many years ago. The Government's Green Paper on special educational needs prompted my request to the Speaker for this debate. I hope that it will be the first of many held in the House before the publication of the White Paper.

I welcome the approach taken by the Minister, and was fortunate to receive a briefing on her intentions a couple of weeks ago. She and her colleagues have a genuine passion to make a difference on this issue, and acknowledge the waste, delay, frustration and anger that is often felt about the current system. The Green Paper underlines the Government's wish to develop a less adversarial approach, offer a greater choice to parents, and encourage and facilitate better working and co-operation between schools, local education authorities, health bodies, the independent sector and parents. A multi-agency approach up to the age of 25, with more support from the independent sector and increased opportunities for free schools, will offer choice and continuity. The Green Paper outlines how early identification can make a significant difference to outcomes for individuals, and says that teachers need to be better qualified in identifying special educational needs.

Mr Mark Williams (Ceredigion) (LD): I congratulate my hon. Friend on securing the debate. He alluded to the importance of teacher training; does he agree that one of the great strengths of the Green Paper is not just the emphasis it puts on initial teacher training, but the opportunity for teachers to develop their professionalism throughout their careers? He talks about frustration more generally, but there must be frustration in the teaching profession with the fact that they have not been given the tools to deliver the kind of education that he and I want to see right across the board.

Alun Cairns: I am grateful to my hon. Friend for underlining an important point that is acknowledged in the Green Paper and, I think, far and wide. Teacher training is extremely important in the initial stages, but so is continued professional development. That is particularly important in relation to school exclusions. Evidence from Mencap suggests that 72% of pupils who have been excluded have special educational needs. I believe strongly that lack of support for a special need is often the cause of disruptive behaviour, and in view

of the Government's plan to change the school exclusion legislation, I hope that changes to SEN policy and teacher training will help reduce that percentage. The exclusion of those pupils is our fault, not theirs, if their needs have not been addressed. The Green Paper also considers how the statementing process should be changed so that resources are used in a more efficient way. That is the area on which I wish to focus today.

I was delighted to see that the Green Paper proposes maintaining the principle of a statement of SEN. It aims to reform the process, so that there is a single education, health and care plan, but still recognises the need for statutory protection for parents and pupils with regard to the provision of SEN support. That is great comfort and reassurance to all parents. The current system is cumbersome, costly and inconsistent, and is seen as being used by some authorities as a delaying tactic to frustrate the wishes of many parents.

In spite of that flawed process, the system is seen by parents as the back-stop that can guarantee a level of provision. If a parent can find their way through the maze, a statement can deliver what they want and what their child needs. Clearly, all sides are spending significant sums of money considering and discussing the matters. The money spent on advocacy and the challenges involved would be better spent on delivering provision. The new approach aims to make the process swifter, simpler and more efficient, but I have some questions and concerns about how and whether all aspects will work, so I want to talk the Chamber through the current process and compare that with my understanding of the proposals in the Green Paper.

The starting point is typically a parent or teacher identifying, or raising a question about, a child's special educational need. Once the request for assessment has been made, the authority has six weeks to decide whether to assess the child. That will lead to a 10-week period in which the assessment is conducted. If a local authority questions or objects to the need for a statutory assessment, a parent will have to follow a cumbersome process to appeal via a tribunal; that comes with a significant delay. I am aware, for example, of an appeal just to obtain a statutory assessment that was registered on 10 August 2010 and not heard until mid-January 2011.

After the assessment, a decision will be made on whether a statement of SEN is needed; if it is, a proposed statement must be issued within two weeks. The parents are given the proposed statement and an opportunity to make representations within two weeks. After a further six weeks, the local authority will present its final statement.

David Simpson (Upper Bann) (DUP): I congratulate the hon. Gentleman on securing this very important debate. In my constituency, there are a number of schools with children who have special needs. According to the Library research paper, on 9 March 2011, *The Daily Telegraph* stated:

"Thousands of children will be removed from school 'special needs' registers under Government plans to stop teachers over-diagnosing behaviour and learning problems."

The parents whom I speak to have a real difficulty with that; does the hon. Gentleman agree with them?

Alun Cairns: I am grateful to the hon. Gentleman for raising that point. That is certainly an issue that causes worry among many parents. However, we need to recognise

[Alun Cairns]

that the school funding formula almost leads to a perverse incentive for schools to classify children as having SEN. Very often, what is needed is additional support in the classroom, rather than a classification of SEN. It is the perverse incentive that is the root of that problem, but I accept absolutely that the issue needs to be teased out and clarified while the White Paper is being drafted.

The whole statementing process is meant to take 26 weeks, but we need to add in the delays due to the tribunal, which I have mentioned. If a parent is dissatisfied with a statement, they can appeal to the tribunal again. Delays such as the August-to-January delay that I mentioned earlier in relation to the assessment appeal will also be incurred in the case of a statement appeal. Parents who have to go through two appeals and the 26-week statementing process can therefore be left waiting for a total of 16 months to get a statement confirmed. That delay in securing the right SEN support can be damaging, particularly to a young child of four, five or six, as 16 months is a significant percentage of a child's life.

The Green Paper highlights the Government's will to speed up the process, and proposes cutting the 26-week period to 20 weeks. That is welcome, but the wait for the tribunal hearing also needs to be addressed if we are genuinely to speed up the process from start to finish. The Green Paper, however, talks about a mediation requirement. In principle, I can see the attraction of that, but I question its merit in practice because of the new delay that that could introduce. An insistence that mediation should take place before the right to appeal would be detrimental due to that delay, and I ask the Minister to allow mediation to take place in parallel with the wait for the tribunal hearing. In reality, discussions already take place right up to the day of the tribunal. It is most frustrating for an authority to agree to something on the morning of a hearing when the parents have been asking for it for the previous six to eight months.

Furthermore, I am not wholly convinced that mediation will work in practice. Parent partnerships already exist to allow for mediation, but few people take up the option because the relationship has usually broken down. We need to consider the pressure on the parent of an autistic child who has to battle month after month with a school and a local education authority, and then face a tribunal.

The Green Paper highlights extended choice for parents, but we need to recognise that legislation already offers parents significant choice. It is often the disagreement caused by the difference between the wishes of parents and the offer from the local education authority that leads to tribunal proceedings.

Dr William McCrea (South Antrim) (DUP): Might not the term "mediation" often be used to talk the parent out of getting their child statemented, and to let the school authorities off their responsibility to ensure appropriate education for the child?

Alun Cairns: I am grateful to the hon. Gentleman for that intervention. It underlines a point that I plan to make later about the support that parents need. Mediation

could possibly work, but we need to understand the breakdown in relationships and the support that parents therefore need.

I turn to the statement itself and the issues that can lead to disagreements and appeals. More often than not, draft statements are vague and imprecise. Parents will seek to make changes in order to gain an appropriately detailed statement that guarantees the provision that they need. Let me offer an example relating to the provision of speech and language therapy. A poor statement would read, "The child will have access to a communication programme," whereas a well-prepared statement would record, "The child will have direct speech and language therapy with a therapist once a week for a period of 30 minutes." That detail is important because if the speech and language therapist is sick for a period or goes on maternity leave, a local authority will rarely move to reappoint a suitably qualified individual, even if they can, given the shortage of therapists. If the provision is specified in a statement, parents can demand it, even from the private or third sector, if necessary. Clearly, it is in the interest of the local education authority to draft a vague statement to prevent such demands reaching the High Court.

That leads me to the backdrop of the tension that develops between parents and local authorities. Parents want a detailed, appropriate statement. They sometimes request that support be given more frequently than is offered, or seek a placement in a specific school, possibly out of county, and that has financial consequences. In a small number of cases, an independent special school is requested. Parents may even press for one-to-one support in a mainstream school. Those demands, which stem from the choice already afforded to parents in current legislation, will always have cost implications. That is usually at the core of the differences between the two parties.

Section 86 of the School Standards and Framework Act 1988 states:

"The duty imposed"—

that is, the duty on the authority to comply with parents' preferences—

"does not apply...if compliance with the preference would prejudice the provision of efficient education or the efficient use of resources".

A similar term is used in the Green Paper, which states on page 17:

"unless it would not meet the needs of the child"

or

"would be incompatible with the efficient education of other children".

It is obvious why such clauses and statements need to be included in legislation and Green Papers, but as long as they are, we will always end up with parents rightly demanding more for their children and local authorities seeking to reduce provision on the basis of cost. I do not see how legislation could be drafted without such a clause to protect the public purse, but it will always be the point on which disagreements will arise.

One option could be a better definition of what a parent can expect, but that focuses on inputs rather than outputs and runs against the principle of facilitating the best outcomes possible, which is at the core of the Green Paper. I have no doubt that many measures in the Green Paper will make a significant difference in supporting children with special educational needs. Early identification,

a multi-agency approach, and assessment by health visitors in particular—the number of health visitors is to increase—are extremely welcome. The simplification of school action and school action plus is welcomed by parents, because they are often seen as a delay to the statutory assessment that I referred to earlier.

David Simpson: The hon. Gentleman mentioned the shortage of speech and language therapists. Would he agree that that is a key component of all this? There is a major shortage of therapists across the whole of the United Kingdom, and the Government need to do something to encourage young people into that profession.

Alun Cairns: I am grateful for that intervention. Without a doubt, the shortage of speech and language therapy is a significant difficulty, but as I highlighted earlier, if need for it is recorded in the statement of special educational needs, parents can rightly demand it, and can even go to the High Court to secure it. I am familiar with some cases where that has been done. However, I worry about those pupils who need speech and language therapy support but who do not have a statement. The shortage of such support does not make things easy for local authorities, assuming that they have the resources to provide it, and it naturally drives up costs. I am grateful to the hon. Gentleman for raising that point.

Improved training of teachers will make a positive difference in reducing special educational needs later on. The point about speech and language therapy is particularly relevant, because if support is provided early on, soon after screening at the age of two and a half, which is mentioned in the Green Paper, that can save significant sums later. I would like to believe that the Minister recognises the importance of that issue.

Budgets for parents to buy services directly will also help significantly. That is the principle of choice. One example that I can offer relates to sensory integration therapy, which local education authorities fail to recognise but the parents of autistic children value hugely. That service is provided by specially trained occupational therapists.

More explanation is needed of how budgets will be allocated, so that parents can exercise the choice and freedom that we want to give them. Will it be on a banding basis? If so, it will lead to further challenges and appeals aimed at moving the child to a higher band that would give greater access to resources and better provision. The new assessment regime and joint working with various agencies will simplify the process, but there needs to be clarification on whether there will be a single assessment regime as well.

Finally, I want to underline my concern for parents who do not have the capacity to challenge the system. This point was made earlier in an intervention. To get the best chance of securing provision, a parent may employ an advocate, independent speech and language therapists, occupational therapists and educational psychologists to give evidence to challenge the local authority's case. After all, the local authority has ready access to such services. Clearly, that would be a significant expense for any individual or family, but if their call is that an independent special school costing, say, up to £100,000 a year is the only way to secure provision for their child, paying such experts at the appeal stage could be seen by them as an investment.

My worry is that the parents of some children with special educational needs will not have the necessary capacity; many may have special educational needs themselves. It angers me that those with the resources and the capacity who can work their way through the system will get what they need, but the children of parents who cannot afford it or cannot work their way through the system will be left without appropriate provision. I am sure that the Minister will agree that stopping those who can is not an option, and that the challenge is to deliver a system that provides the right support at the outset to those who cannot.

I am grateful for the support that I have received for this debate, and for the interventions that have been made. I hope the Minister will accept my comments as a positive welcome for the Green Paper.

9.49 am

Robert Halfon (Harlow) (Con): I am pleased to speak in this debate under your chairmanship, Mr Brady. I congratulate my hon. Friend the Member for Vale of Glamorgan (Alun Cairns). He is a compassionate Conservative, and he has demonstrated that today. I was astonished at the level of expertise he displayed, and I learned a lot from his speech.

As a candidate and now as a Member of Parliament, I have been very pleased to speak to Harlow parents whose children have special needs. I am a supporter of the Harlow Parents of Autistic Children Together, or PACT, and I have often met its chair, Sam Fancett, and vice-chair, Wendy Merry, and others. They are very IT friendly, and we usually speak via Blackberry messenger. I want to raise on their behalf some problems that are sometimes thought to be little things, but actually make a big difference.

First, parents believe that it would be helpful if more special schools could specialise—for example, in autism therapy—instead of being just an alternative to mainstream schools when children can no longer cope. If that is impossible, more mainstream schools could develop a specialised autism unit on site, or a unit could be shared between several schools. At present, I understand that, if a parent chooses a school that is more suited to their child's needs, but is outside their catchment area, they must provide their own transport, and sign a disclaimer saying that they will never request transport in future. We all know that funds are limited, but there should not be a postcode lottery in such cases. As the free school reforms come through, I urge the Government to look at home-to-school transport and access to expert special education.

Secondly, why are parents of children on the autistic spectrum, especially those with severe difficulties, unable to get a blue badge to park their car? Parents of those children struggle daily, sometimes in extremely difficult situations. They have told me that parking a car when a child is having a meltdown can be highly dangerous. The Government are cracking down on people who abuse blue badges, but will the Minister do what she can to nudge local authorities to make blue badges more available to those with autistic children or children with significant special needs? It is worth taking much stronger action against those who wrongly park in bays for disabled drivers, because that causes incredible difficulties for those with severe disabilities.

[Robert Halfon]

Thirdly, on special educational needs, there is a question about arbitrary limits. A constituent of mine, Jackie Stedman, has suffered a constant battle to get a good education for her two children. Again and again, she has run up against problems due to random limits on financial support, which are tied to age rather than to need, or to children's potential to learn. I accept, of course, the overall need to cut the deficit, and to be careful with our finances, but the sums involved are not significant in the context of the overall budget—in this case, that of Essex county council.

The context is that the council pays for home-to-school transport for Jackie's two children, who both travel in the same car to the same school, but the council is now saying that, according to the rules, it can pay for one child, and not the other, even though the car will have to make the journey anyway. The absurdity is extraordinary. That is unaffordable for the family, and it feels like a "Little Britain" sketch, when "the computer says no", just because one of her children is now 16.

I understand the need for local government to set criteria, but the rules sometimes seem arbitrary, and hurt decent families who simply want a good education for their children. A similar problem is seen with therapies offered by local primary care trusts. Sam Fancett gives the example that not all children are offered sensory integration therapy or auditory integration therapy. It depends on their PCT, but those therapies can transform children's lives, and drastically improve behaviour at an early age. She also queries why speech therapy seems to finish at the end of year 7. Again, that seems to be an arbitrary limit, which does not relate to children's needs or potential.

A potential casualty of the difficult economy was going to be a Thursday evening session of respite care in a Harlow community centre called Sam's Place. Thankfully, the council worked hard to rescue it, and I congratulate the leader of Harlow council, Andrew Johnson, Councillor Joel Charles and council officers on their hard work in achieving a solution. One of the lessons that came out of that was that most parents are happy to take on the responsibility of running services for their children, but we cannot ask them to take on legal liabilities, compliance duties and other red tape. Parents with children with special needs have enough to worry about without having to do all that. I know that the Government are looking at such matters in the context of the big society reviews, and I would be grateful if the issue could be specifically considered.

As I have suggested, the solution must involve the big society. At the moment, if someone with an autistic child wants to talk to the local education authority or PCT, it is like trying to get through to a mobile phone company with instructions to press 1, press 2 and so on. Parents need a much more personal service. That may cost a lot of money, but a reduction in the number of appeals and complaints might save money in the long run. Essex county council has been moving towards that, but the results are patchy, and I urge it to use its back-office savings to hire more, dedicated, proper relationship managers—human beings—who would understand the issues and liaise directly with families such as those in the Harlow PACT.

Another problem is that the computer always seems to say no. Why should it say no to parents who are struggling against the odds? Decisions are arbitrary or tied to arbitrary age limits and catchment areas, which are largely random or created for bureaucratic convenience.

Alun Cairns: My hon. Friend is making some extremely important points about the arbitrary limits. My understanding is that the legislation does not provide for such arbitrary limits. We need to provide for the child, but local authorities use the system to prevent a child from gaining access. If a parent battles through the maze of the statementing process, they may win, but bearing in mind the delays to which I referred, very few, sadly, have the resources or the capacity to do that.

Robert Halfon: My hon. Friend is exactly right. My point is that given what parents must face, and their difficulties with special needs children, why should they have to battle? Mrs Jackie Stedman has spent years battling with the courts and relevant authorities to try to obtain proper treatment for her children. She has often been successful, but why should she have to go through that in the first place? To borrow a phrase, our public services need to speak "human", and that means looking at each individual case on its merits, and talking to the parents and children involved.

Mr Mark Williams: Perhaps I should have declared an interest earlier, Mr Brady, as a former teacher and still a member of the NASUWT. Does my hon. Friend agree that schools find themselves in the middle of a conundrum? Teachers may see the problem of children on the autistic spectrum or with dyslexia and make a diagnosis, but they are frustrated because the resources and support that parents rightly demand are also lacking for teachers. They want to get on with the job. They may have identified the problem and know the direction of travel, but LEAs are often lacking resources.

Robert Halfon: My hon. Friend is right. If the teacher is well placed to understand and diagnose the problem, the matter should be sorted out from there. However, they often have to wade through relentless bureaucracy. It does not matter which local authority is involved, it is always "rule this, regulation that." That is what makes lives difficult.

Parents are used to fighting to get a fair deal for their children, but we must not burden them with tons of forms, legal liabilities and compliance. We have to make it easier. I know that the Minister is looking into the matter, and I would be grateful if she reassured my constituents about the direction of Government policy.

10 am

Dan Rogerson (North Cornwall) (LD): I did not plan to speak in the debate. Many hon. Members take a strong interest in this subject, but there are undoubtedly other meetings and Committees sitting this morning that have prevented them from attending the debate. I anticipated contributions from some of those hon. Members to whom I have often listened when they spoke about this subject. Since I have the opportunity to speak, however, I would like to raise one or two issues.

I congratulate the hon. Member for Vale of Glamorgan (Alun Cairns) on securing the debate. It is an interesting time for such a debate due to the publication of the

Green Paper and the consultation. If we return to the subject in a few months, I suspect that we will have heard more from our constituents who are beginning to engage with the process and to look at the issues set out by my hon. Friend the Minister in the Green Paper.

If we look back at educational experiences over the generations, it is clear that there is now—thankfully—more recognition of the needs of pupils. Rather than seeking to exclude or blame pupils for the challenges they face, usually with huge courage and fortitude, there is now more recognition of those problems. Strategies have been developed to support pupils who face those various challenges and experiences.

Of course there is an issue of resources, and the challenge set out in the Green Paper to bring different agencies together and to come forward collectively with solutions is crucial for a number of reasons. As hon. Members have pointed out, families going through such problems often have to pursue multiple challenges with different agencies working alongside each other. Given how the system is currently configured, they have not only to fight with the local authority or even the school, if things have reached that stage, but to take on the local health trust to receive the provision that they need.

During my time representing the larger constituency of North Cornwall, as it was then constituted, I was involved in a fantastic campaign run by a wonderful woman called Sandy Lawrence. Sadly, the boundary has changed so I no longer have the benefit of her experience as a constituent, but she continues to work across Cornwall for children with Down's syndrome. She brought to my attention the ludicrous provision in place for providing mobility aids for children who are perhaps slow to develop with walking, and pointed out the rather strange rules put in place by the primary care trusts that are split up across Cornwall.

A contract was provided by a neighbouring health trust to supply those pieces of equipment, but the commissioning was simply not up to the job or robust enough. When I, together with Sandy whose campaign it is, began to probe that situation, no one was able to say how much of a service and how many pieces of equipment had been provided for the money handed over by the local PCT, and over what period that had happened and for what purpose. The management information was dreadful. Sandy was going through that experience on behalf of a child who was approaching school age, and that equipment was crucial for engagement and moving into school. That fight was completely separate from anything to do with education, but it is crucial to bring those things together so that collaborative approaches can be drawn up.

Such an approach would also make it harder for different agencies to hide from each other. As we know, when resources are at stake, there is a tendency to say that it is someone else's problem. If there is any opportunity to pass things on to someone else's budget, people will grasp that opportunity. That is done not out of a sense of malice, but because people are under pressure. If we could develop a more collaborative approach, we will come up with solutions that will work better for families and children. That would be the case in the sort of situation I have outlined, which has improved drastically.

We know that child and adolescent mental health services are patchy across the country, and in a rural area such as my constituency it is challenging to provide

support. The hon. Member for Harlow (Robert Halfon) described the support network of parents in a more urban setting. Such things exist in rural areas, but for all the reasons outlined, there are challenges in getting together because of difficulties with transport that can be acute. The determination to bring health providers to the table for debates and discussions is crucial, and I pay tribute to the Minister for the work that she has done in securing that initial collaboration with the Department of Health. I look forward to working with other hon. Members to ensure that that collaboration is delivered and becomes the reality.

I want to pick up on the point about providers of education that offer an inclusive model. That has been a subject of much debate, and it is right to ensure that special schools exist for those families for whom that is the right solution. At times, however, we do not give enough recognition to those schools that have determined to offer an inclusive programme of education. I recently met with Mr Ewan Murray, the head teacher of Robartes junior school in Bodmin. He spoke about some of the pupils in the school who were let down by other educational environments but who are now thriving. They travel past several other schools in order to get to his school because it specialises in ensuring that everybody works together and provides support.

I sit on the Committee that is considering the Education Bill currently going through the House. The hon. Member for Vale of Glamorgan mentioned the approach taken to exclusion, but the other side of the coin is to ensure that we have confidence in early intervention so that exclusion is a last resort. Head teachers get frustrated if the situation reaches a point at which they need a permanent exclusion but know that an appeal could overturn that and put the child back in the school. There may have been earlier failures, and the Green Paper needs to look at that to identify those problems and to ensure that the situation is dealt with at an early stage.

Under the current system, which is due to change if the Bill is enacted in its current form, if the current appeals panel puts someone back in a school, the relationship with that school has often broken down and can be difficult to rebuild. The measures in the Bill concerning schools retaining an involvement and a responsibility for that pupil, and the provision they receive elsewhere, is a useful model. I welcome the work that will be done on that through pilot schemes and so on. Crucially, we must deal with problems early on so that the situation never gets near exclusion.

I congratulate the hon. Member for Vale of Glamorgan on securing this debate and raising this issue at the time of the consultation. I suspect that we will return to the debate as other hon. Members get more involved and wish to contribute to the process. The determination set out by the Minister in the Green Paper to bring agencies together, particularly those in the health sector, is crucial, and I hope that it comes to fruition. It can make a huge difference for families and children who have been let down in the past.

10.9 am

Dr William McCrea (South Antrim) (DUP): It is a pleasure to speak under your chairmanship, Mr Brady. I thank the hon. Member for Vale of Glamorgan (Alun

[Dr William McCrea]

Cairns) for bringing this very important subject to the Chamber. I was a little hesitant—I am sure that my hon. Friend the Member for Upper Bann (David Simpson) felt the same—about taking part in the debate, even though I have a passion for the subject, because there is a difference between the arrangements in our part of the United Kingdom under the devolved Administration and those on the mainland. However, we can learn from each other's experiences, and it is vital that we do. The devolved Administration should examine the current proposals and see what can be taken from them and what can be learned from them.

Some of the statements made by Ministers on this subject are certainly helpful. According to the pack prepared by the Library for the debate, the Government say that they will tackle the problem, which has never been addressed before. It then mentions a number of things that the Government propose. This Minister—the Children's Minister—says:

"We have heard time and time again that parents are frustrated with endless delays to getting the help their child needs and by being caught in the middle when local services don't work together."

The Under-Secretary of State for Health, the hon. Member for Guildford (Anne Milton), who is responsible for public health, says:

"It is vital that children, whatever their needs, get the best possible start in life."

The Minister for Further Education, Skills and Lifelong Learning says:

"This Government wants to do more to help people overcome barriers that hold them back."

All those statements are grand, but quite often we have had fancy statements from Ministers in the past. We will judge them by what they do, because statements of special educational needs will, without adequate finances, just be statements.

Mr Matthew Offord (Hendon) (Con): The hon. Gentleman is talking about statements by Ministers and politicians. Many parents are concerned not only about the statement of special educational needs that their child receives, but about the quality of the education that their child receives. That is about the way in which their child is able to learn and whether their school, whether it be a private school—an independent school—a school in the voluntary aided sector or whatever, is able to assist them. The issue is more the help that is provided, rather than the statement for the child.

Dr McCrea: Yes. I thank the hon. Gentleman for his intervention. The statements by Ministers that I read out contain fundamental principles that the Government are setting down. There is a review of this area, and the Government intend to make progress. All those fundamental statements by Ministers are important. All I am saying is that we will judge them by the actions thereafter, because the statements by Ministers will amount to nothing but air if they are not followed through and action is not taken to give the best possible educational opportunity to children with special needs.

Like my hon. Friend the Member for Upper Bann, I have special needs schools in my constituency and I know that many parents are battling for their children. When it comes to the statementing of children, my

experience as a Member of Parliament is that my constituents have great difficulty in getting help when they really need it. Let us be honest: there are parents who do not have a great interest in the educational attainment of their children. Every parent should have a great interest in that, but not every parent does. Not every parent has the capacity to understand the great need for education for their children and how to get the best possible education for their children with special needs.

There are other parents, who have a real concern, yet they come up against walls, barriers and obstacles, which in the past they were not able to get over. We must ensure that we give the best possible advice and help to parents at what is a critical time, because many of the children whom we are talking about are losing years of their lives educationally that they will never be able to get back. It is vital that parents get the best advice at the right time and that therefore the child gets the best possible education, because that sets the stage not only for their educational attainment, but for their job prospects and everything else. It is vital that parents get help at the appropriate time. If that is what the Minister is setting her mind to, that will be of great help.

The Government also propose to ensure that assessment and plans run from birth to the age of 25. If I may, I will relate some of the experiences that I have had. In Northern Ireland, when children in special schools turn 18, they go outside the education system. They may have a mental capacity of seven, but they have a birth certificate that says that they are 18, and they leave their special school and go outside the education system. I am passionately angry about that, because what other child stops their educational attainment and advancement at seven years of age? No other child is allowed to stop at seven. Because the person has a birth certificate and a body that say that they are 18, they are moved aside. They have very special educational needs, but those needs are not being met after a particular age. That is a disgrace and an indictment of any society that allows it. I have in the past begged Ministers to intervene in this matter; I believe that they must tackle the issue. I trust that we will get answers on that.

Many parents are frustrated when it comes to getting statements for their children. Many do not have a sufficient understanding of what they need to do to get their child statemented and they come up against an education system that fights against that. There is a constant battle and, to be honest, many parents give up. The only person who loses is the child. We are talking about children and young people who need our help. That is where we as politicians come in. We set the guidelines.

Mr Mark Williams: Coming from one of the devolved nations as well, I fully agree with the hon. Gentleman. There are lessons to learn from those of us in Wales. I am glad that the Minister is to have a meeting with my colleagues in Autism Cymru to talk about some of the issues; we have managed to fix up a meeting. The hon. Gentleman is right to highlight the corrosive effect on young people. There has been a lot of talk in this debate about the rights of parents, and I absolutely concur with that, but we are also talking about the rights of children. That is why early diagnosis and follow-through

are so important. We are stacking up huge problems for children from key stage 1 right the way through the education system and into young adulthood, as the hon. Gentleman said, if we do not address these issues at the earliest opportunity.

Dr McCrea: I thank the hon. Gentleman for his intervention. I wholeheartedly agree with what he said. May I draw attention to this issue? We have talked about parents battling, but why should parents alone have to battle on this issue? Many do not even know how to battle, and parents should not have to know how to battle. We are putting the responsibility on the parent, and if the parent does not battle, the child loses out.

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): The hon. Gentleman is making an excellent contribution. I was one of those parents who battled through the system, as I will say in my contribution. Does he agree that more should be done to help to support parents? Often, parents feel that they are the only ones who have ever been through this experience. There is no signposting; it is almost as though the provision that is available is a big secret. Should local authorities provide more information to parents on what is available and how to find their way through the system?

Dr McCrea: I thank the hon. Lady for her intervention. I wholeheartedly agree. Many parents are in a panic because they do not know at all how to surmount the barriers that are put in their way. They want to do the best for their children—I am speaking about those who want to do the best for their children—and want to battle for their children. Parents have come to me in tears. They say, “I’m fighting for my child, because I will not always be here. Therefore, I want to give my child the best opportunity.” Parents have come to me who are broken mentally because they have tried their best, but it seems that obstacles and barriers are always placed in their way. That is not what our society should be doing. We should be signposting the way. When we come to a barrier, there must be a way over it, if we are to have the best education for our children, and especially those with special needs.

In conclusion, I once again thank the hon. Member for Vale of Glamorgan for bringing this important issue before us. I am delighted that the Government have identified some of the issues and have proposed measures, but the proof of the pie will be in the eating.

10.20 am

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): It is a pleasure to serve under your chairmanship, Mr Brady. I congratulate the hon. Member for Vale of Glamorgan (Alun Cairns) on securing this important and timely debate. He is a passionate and assiduous advocate for his constituents, and especially for children and young people with special educational needs, and his contribution this morning further underlined that. He showed his expertise and wide knowledge, and I am confident that he will go on to make a name for himself on this issue; indeed, he probably already has this morning. I also pay tribute to other hon. Members for their excellent contributions and interventions. I welcome the fact that we have had some new faces and some new voices on this issue.

As hon. Members will know, I have responsibility for this issue as shadow Children’s Minister, but I also have a personal interest in improving provision for children and young people with special educational needs, because my son is one of those people. He displayed delayed speech development and did not utter his first word until he was three. Then, learning to read just did not happen. Despite the fact that he was obviously very bright and able, and despite my constant appeals to his teachers to help him, he was 10 years old before one amazing teacher, who understood SEN because she happened to have a son with SEN herself, eventually helped. My son was diagnosed as severely dyslexic, although highly intelligent, and he was eventually statemented.

My son missed out on six years of learning because none of his teachers spotted that he was dyslexic until he was nine, when the statementing process began. I did not spot that he was dyslexic, because I had never had a dyslexic child or come across anybody with dyslexia. Even though I was constantly asking what was wrong with my son, it was not until I met the teacher I mentioned and explored the problem with her that he was diagnosed by an educational psychologist.

My son is now thriving, having done well in his GCSEs. He got more than five grade Cs and above, but he would not have got the English baccalaureate, because dyslexics do not do foreign languages, as Members may know. At the moment, he is at college, studying a course he loves, with aspirations of going to university and taking up a career in digital games design. That shows the difference that good provision can make, but I cannot say that we got there without a fight, and hon. Members have already discussed the battles parents face. For too many children and their parents, fighting the system becomes a daily struggle.

Having had those experiences—good and bad—of the current system, I was as pleased as anyone when Ministers announced that they would review it with the intention of removing at least some of that struggle. Having finally seen the Green Paper earlier this month, I am pleased to say that I can, in principle, agree with a lot of the proposals it contains. Many of them have already been discussed, and the expansion of Achievement for All, improved teacher training and a simplified and more holistic assessment process will be positive steps, as long as the new education, health and care plans have the same legal rights as statements with regard to health and social care and not just education. I also broadly support the introduction of personal budgets, provided that there is adequate local commissioning to ensure that there is a choice of services for parents and children and specialised support to help them make their choices. In addition, those who do not want to make a choice, but want it made for them, should not be forced to make one.

Unfortunately, while the Green Paper was being consulted on and drafted, the Government’s policies across the board started to alter the landscape for SEN provision. There are now real concerns right across the sector—I have had been told about them in the numerous briefings I have received, as I am sure other Members have—that the positive proposals to come out of the Green Paper may not work in practice. For example, the Government want schools and the NHS to work more closely together

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at a local level, yet Ministers are forcing through legislation that will make that much more difficult.

The Government also want children's centres to be hubs where parents can access specialist help and support for their toddlers, yet they have cut and destabilised the fund that pays for those centres. As we have heard, research by the Daycare Trust estimates that up to 250 centres will close in the coming year, with a far greater number looking to reduce opening hours or services.

In addition, the Government highlight the importance of skilled specialists such as educational psychologists and speech and language therapists, yet councils up and down the country are being forced to lose those professionals right now because of the large, top-heavy funding cuts forced on them by the Minister's colleagues at the Department for Communities and Local Government. Unfortunately, the Green Paper does not address those realities, which will make it much harder to implement any of the positive proposals in it.

Last week, the Minister told me across the Dispatch Box that she acknowledges that councils have tough decisions to make, and we all know why that is. She said, however, that she hopes the Green Paper will improve provision across the board. I always thought that the point of being a Minister and making policy was to take decisions and make things happen, not just to hope that they do. In this case, unfortunately, I fear that the Government are intent on leaving things to chance and that a system already criticised for being a postcode lottery could become even more of one.

There are real concerns that the Government are ending the assumption of inclusion in favour of an assumption of segregation. Parents should have a choice of school based on which will be best for their child, but what choice will there be if mainstream schools are stripped of the resources to provide for varying levels of need to fund the establishment of academies and free schools?

Given that secondary schools are to be ranked according to the narrow and prescriptive requirements of the English baccalaureate—as I said, no dyslexic child will be able to achieve it, because of the foreign language element—and that the contextual value added measure will be dropped, there is a perverse incentive for head teachers to turn away or put off pupils they know will be more difficult to teach. The admissions and exclusions reforms in the Education Bill, which is currently in Committee, will make it much easier for head teachers to do that. Cuts to legal aid will leave parents struggling even to appeal such decisions.

We know that children on school action and school action plus are already 20 times more likely to be excluded than those with a statement. We know that because having that status means that the needs and progress of such children are recorded. If the support they currently receive is reduced, they will be even more vulnerable to exclusion. I therefore share many parents' fears that the abolition of that system of recognition could mean many children with real barriers to learning finding that they are no longer able to access specialist support, with the result that they fall further behind in school or are excluded. Effectively, they will be swept under the carpet in terms of the monitoring provided for in the Special Educational Needs (Information)

Act 2008. As Members may be aware, I introduced that legislation as a private Member's Bill so that we could better monitor the progress of all children with SEN. The hon. Member for Vale of Glamorgan tried to introduce a similar Measure in the Welsh Assembly, and I was disappointed to learn that he was not successful in that endeavour.

There may well be over-identification in some instances, but it is clear that there is a lot of under-identification in others, as we have heard. We have only to consider the fact that at least 60%, and sometimes up to 80%, of young offenders are identified as having undiagnosed speech, language and communication difficulties to realise that lots of kids going through the system need help but are not being identified at all. More worryingly, they are more likely to have self-fulfilling labels slapped on them and to be told that they are naughty or lazy.

A greater focus on early identification is bound to throw up a much bigger case load, so how can the Government talk about making arbitrary cuts to the numbers of pupils receiving help? As for those pupils who would benefit from better-trained teachers and programmes such as Achievement for All, how would the Minister ensure that sufficient training and programmes are in place in every school, before sweeping away school action status?

From the feedback I have had from the sector, I could go into minute detail on many points, but I will save that for another day, because I am sure that hon. Members want to hear from the Minister. We actually have more time than usual and I want to ensure she has her full allocation.

I think we can all agree that every child deserves all the support they need to access the curriculum and develop into a capable and well-rounded adult, whether that means complex care packages, adapted teaching or an hour a week with a specialist dyslexia tutor. Whatever comes out of the consultation on the Green Paper, a promise that every child gets the support they need must be central to it.

10.30 am

The Minister of State, Department for Education (Sarah Teather): It is a pleasure to serve under your chairmanship, Mr Brady; I think it is the first time I have been able to do so. I begin by congratulating the hon. Member for Vale of Glamorgan (Alun Cairns) on securing the debate. I am grateful to have this opportunity so soon after we published the Green Paper. It is useful to learn what hon. Members think and hear the feedback from their constituencies. The hon. Gentleman said he hoped there would be other opportunities; I do, too. As hon. Members are able to go into their constituencies and use the consultation to talk to their local groups, they will have the opportunity to bring that feedback to the House, so that we can discuss it.

I am aware that the hon. Gentleman has a long-standing interest in the subject. He also mentioned his wife; that is a real power partnership. We are grateful for the expertise he and other hon. Members brought to a good-quality debate—Members including the hon. Member for Washington and Sunderland West (Mrs Hodgson), who spoke of her experience of battling to get support for her child.

As hon. Members will be aware, the core of the reform that we are trying to bring to the system is quite radical, and it will take time to bed down and to get it right. Unfortunately, I am not able to promise that overnight we will be able to transform the experience radically for every family who has a disabled child or one with special educational needs. In some of the things that we are doing, it will take time to change attitudes and mindsets. That is why we are taking the approach of using pilots—so that we can begin to roll them out and learn from the experience.

Core to the reform is the change to a nought-to-25 system that is more continuous. I want the system to be more focused on outcomes, rather than focusing just on inputs. A lot of the tension arises partly because people get hung up on the question, "How many hours?", rather than thinking about where we want the child and family to be in 12 months' time. We should have that type of conversation from the outset. We should look at the child and family and ask: what are the realistic goals? Where do we want to be next year? What are the realistic goals, long term? We should then put in place the right kind of support to get children and families into that position for the long term.

Alun Cairns: I recognise the focus on outcomes, but does the Minister also recognise that parents can only guarantee the inputs to deliver the outcomes through a statement of special educational needs? Of course, it will be called something different and will have a slightly different form if the Green Paper becomes a White Paper. As I tried to highlight, if a therapist is sick or on maternity leave, provision is rarely replaced during that period. We will not achieve the outcomes unless there is a guarantee of the inputs.

Sarah Teather: I will come to the specifics of the statementing process. The hon. Gentleman's contribution on that was helpful. It is about getting the detail right and ensuring that the system works.

I have mentioned that I want a nought-to-25 process, and that it should be more outcomes-focused. It also needs to be a joint assessment process. My hon. Friend the Member for North Cornwall (Dan Rogerson) said that the current system was too costly, often because people go through it several times—something that the hon. Member for Vale of Glamorgan also mentioned. It is very frustrating for families if they have to go through multiple assessments, telling the same story over and over again to professionals. That wastes their time and the professionals' time. When I have listened to families speaking about their experience, I have been struck by how traumatic it is; they relive the grief they experienced when they first had the diagnosis of the disability or special educational need. Every time they tell the story, they are effectively reliving that initial trauma. When that is combined with the frustration of feeling that nobody is listening to them, it is incredibly stressful for families.

We have to streamline the assessment process, so that families go through fewer hoops, we come up with one plan into which everybody is tied, and people know who is responsible for paying for what, rather than there being an endless fight over where that responsibility sits in different sections of the statement. That picks up the point on which the hon. Member for Vale of Glamorgan

ended his contribution. At the moment, unfortunately, one needs to be highly articulate and, too often, financially able, in order to get the best out of the system. That is simply not good enough. We have to make the system simpler and more straightforward, so that every family can get what their child deserves: the best possible support and care.

As a number of hon. Members have said, the current system is cumbersome, costly and inconsistent. The first thing we have tried to do is take some of the adversarial nature out of the process. Again, I cannot promise that we will never have tension between families and services providing for their child; that is not realistic. However, there is a lot we can do to reduce that, so that it does not come immediately, and so that we change the nature of the conversation from the outset.

We want to begin with the idea of a local offer, so that when someone first encounters the local authority or health service, they are not told: "Prove that you need help." Local services should be coming to parents and saying, "This is what we normally provide; now let's have the discussion about how we tailor that, and what we need to do for you in your situation." That should change the relationship from the beginning. That again was a point made by the hon. Member for Vale of Glamorgan. The attempt to get people to talk at the end of the process can be unsuccessful if trust broke down right at the beginning. That was highlighted for us by the Council for Disabled Children, which spoke passionately about the need for a local offer. In areas where that has been developed, it has changed the relationship from the beginning. That has been much more fruitful; even if parents decide to go all the way through the special educational needs and disability tribunal, the nature of the conversation can be much better from the beginning.

Mainstream schools need to be clearer with families about what they would normally provide for children with a range of learning difficulties, disabilities or additional needs. At the moment, there is great inconsistency. It can be difficult for parents to work out whether their child's needs are greater than those normally provided for in a school—the legal definition of special educational needs. As a consequence, local authorities complain that the tribunal will often make inconsistent decisions about whether a statement is required. It is not in anyone's interest for all that to be so cloak-and-dagger. Much more can be clearer from the beginning.

The hon. Member for Vale of Glamorgan said that a lot of the detail did not work. He mentioned the tension between outcomes and incomes-focused criteria. I recognise his point, but if we begin with outcomes, it changes the nature of the discussion. We sometimes hear that families will cling to a statement that may not be suitable for their child's needs, as those needs have changed. That is not in the interests of the family. If we can focus more on the outcomes and the support that we need to provide for a family as we move to an agreed set of goals, families are less likely to cling to unsuitable provision, and more likely to be willing to accept changes that might be right for their child. Focusing on outcomes rather than inputs requires a huge change of mindset. As I said earlier, of all the things that we are trying to do, that will probably take the longest to bed down.

My hon. Friend the Member for North Cornwall said that going around the loop repeatedly is often expensive. If we do not get children the support that

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they need early enough, that is also expensive; a greater, more serious intervention might be needed later. Many of the families that we spoke to, and the voluntary organisations that we worked with when drawing up the Green Paper, told us that parents use the expensive independent school not always for the education that it provides, but often because it has therapists on tap, particularly speech and language therapists. As a result of the frustration of not being able to get speech and language therapy through other means, some parents will push all the way through the tribunal for the expensive independent provision—but that, of course, comes out of the local authority's budget, and not the health service budget. In the end, there is no incentive for local services to work together, or to provide a plan that should be paid for jointly. There would be significantly less cost to the public purse in the long term if we could get it right from the beginning.

My hon. Friend the Member for Vale of Glamorgan spoke about delays in the system. It is clearly ridiculous for small children to have to wait six months for the necessary support, because they are at a critical period in their development. Anything that we can do to speed up that process is important. I hope that the joint process, the single assessment process, will remove some of the delays. Many delays are the result of local authorities having to co-ordinate the expertise of various professionals; that is particularly so with professional input on health.

One of our first priorities, even before we get to the joint process, is the statementing process; we want people to contribute sooner, more quickly, more rapidly and more efficiently. It is not good for families to have to wait. The nub of what we are doing is reducing delay in the short term. As for the longer term, I hope that the pilots will show that having one process speeds things up. That is a key objective in getting people to work together.

Alun Cairns: The Minister rightly focuses on the cut proposed in the Green Paper from 26 weeks to 20 weeks. I referred in my speech to a delay in a tribunal taking place; it took from 10 August last year until mid-January for the case to come to the tribunal. That was far longer than it took to get the published statement. We should not forget that a case could be taken to tribunal twice—once regarding the statutory assessment, and once regarding the statement. What consideration has the Minister given to that? It would be a significant step forward if that wait was curtailed to a reasonable length.

Sarah Teather: The hon. Gentleman need not panic; I wrote everything down. I may not be able to cover every point that he raised as I cannot scribble that quickly, but he raises the very point that I wanted to deal with next.

I turn first, however, to what the hon. Gentleman said about mediation; he asked whether it would introduce extra delay. That is absolutely not the intention. When we roll it out, we want to make it clear to local authorities that the addition of mediation should not delay the process of going to the tribunal. The quality of conversation ought to be better from the outset, so I hope that the process will be more successful.

The other key point to make about mediation is that it needs to be high-quality. If people are simply going through the motions, it will add extra frustration for everyone concerned. In the Green Paper, we point to some examples of good practice, particularly in the west midlands. Independent mediation there has made a real difference to the solutions that parents are being given, and people have not had to go through the tribunal process. Parents were happier because they had much better conversations with local providers.

I turn to tribunal delays. I was concerned to hear of the example given by the hon. Gentleman. The tribunal in England aims to hear cases within 22 weeks of the appeal being registered. We regularly meet the tribunal at an official level and raise the matter with it, but we will raise the specific point that the hon. Gentleman makes. It would help to know whether the case was in England or Wales.

Alun Cairns: It was in England.

Sarah Teather: That is helpful. We will raise that case with the tribunal. Personal budgets were alluded to by a number of Members, particularly the hon. Member for Harlow (Robert Halfon). I hope that they will cut some of the frustration for families. They are a choice, not an obligation; families will not be obliged to take up personal budgets. We realise that not every family will want to do so, but some will believe that they would be better able to make choices about how family life was run if they had the freedom to decide how to care for their child. That needs to be trialled. Some small-scale pilots have been run for disabled children in recent years with some elements of the health budget, and we will build on that.

In the Green Paper, we are consulting on what should be included in the scheme. One suggestion is that we include school transport, which was mentioned by the hon. Member for Harlow. I hope that will give families more freedom to decide which school their children could attend. The obvious thing to include in personal budgets is key equipment such as speech and language aids, which were mentioned earlier, and wheelchairs. I have experience of this as a constituency MP, and I know from being involved with the Green Paper that delays in the provision of wheelchairs are unfortunately extremely common. Indeed, the wait can sometimes be so long that children have grown out of the wheelchair by the time it arrives. That is utterly ridiculous. It is a waste of public money, and the impact on the child can be considerable. Indeed, one child in my constituency was not able to attend school while waiting for a new wheelchair because the old one was the wrong size and was giving him sores. That is not good enough.

Another obvious candidate for a personal budget is therapy, particularly speech and language therapy. That raises the subject of adequate provision, which was mentioned by the hon. Member for Harlow. I have no doubt that the joint strategic needs assessment process needs to be better at picking up needs, from the ground upwards. The Green Paper commits the Department of Health to ensuring that the needs assessment is done in a way that responds to the needs of families with disabled children in the area. I hope that that deals with the point raised by the hon. Gentleman.

Dan Rogerson: That point is crucial, and it could represent a huge step forward. We are obviously focusing on younger people, and my experience as a constituency MP is that direct payment with personal budgeting has worked for social care; there is often an element of health care as well, but at the moment that cannot be provided through primary care trusts with a direct payment model. That is incredibly frustrating, and it is a barrier to getting a package that works for families. I have had that experience with families who are caring for older people, and I believe that lessons can be learned right the way across.

Sarah Teather: Absolutely. We intend rolling that out as a legal entitlement, and that will bite on local services. Local authorities are going to have to budget, rather than agreeing to put something in a plan and then dodging the responsibility for paying for it. If parents are legally entitled to request provision—local services will not know which parents will request it—local services will have to budget for that. We expect that services will be provided on the ground, but we need to test the system with pilots to ensure that there is a bite on all services. We want to ensure that all families get the services that they have been promised, and do not find themselves in the same position as before, where something would be written in section 3 or 5 of a statement but not be provided by local health services.

My hon. Friend the Member for Ceredigion (Mr Williams) has spoken on a number of occasions about the frustration of teachers. He said that it is not only parents who are frustrated; teachers often feel inadequately prepared to work with children with a range of additional specialist needs. However, the hon. Member for Washington and Sunderland West told us that one inspirational teacher made the difference for her child. That is the point. We hear many fantastic examples of professionals who lead practice, but even one professional who believes in a child and who takes responsibility can make such a difference. They can be teachers or other professionals with whom the family come into contact. That kind of practice needs to be much more common, which is why we propose improving initial teacher training. We will use both special and mainstream schools for teaching purposes to ensure that professionals learn from the good practice of others. We will also focus on continuing professional development, using both online specialist material, some of which was launched last week, and scholarship funds to ensure that teachers and teaching assistants have access to funds to gain a greater specialism.

The point about teaching assistants is new; we have a new way of thinking about their role. As many families know, teaching assistants often have more experience than the classroom teacher of working with children with additional needs. By giving them an opportunity to develop their career, we may well bring to the teaching profession many more individuals who have a real background, interest and focus on this subject.

Let me touch on the issue of choice, to which the hon. Member for Washington and Sunderland West and my hon. Friend the Member for North Cornwall referred. The point about trying to reverse the bias is exactly about choice. If there is currently a bias in one direction or another, that is not about choice. The focus of our Green Paper is on improving choice for families,

so that they can make decisions about what is best for their child. Too often, however, it ends up being Hobson's choice, because they feel that the mainstream school does not have the capability to support their child. That is why we want a focus on teacher training and the Achievement for All pilot.

I want to focus on Achievement for All and to pick up the point about over-diagnosis raised by the hon. Member for South Antrim (Dr McCrea). Achievement for All is a pilot programme that ran in 10 local authorities and 450 schools. Schools and parents found that it substantially increased the attainment of children in schools. That was true in special schools, in which children might have highly complex needs and a statement, and in mainstream schools, in which children might be on school action or school action plus. The improvement in attainment stemmed from the quality of the interaction between the school and parents, and between teachers and the child.

Under the pilot, there is a greater focus on setting goals, on monitoring the attainment of those goals and on sharing information with families and making sure that they are involved in their child's attainment. Head teachers said that when they used the programme it changed their mindset; it was about not money, but attitude. That attitude affected not just the children with whom teachers were working on the SEN register, but all the children in the school who had additional needs.

Some Members implied that we were arbitrarily taking children off the SEN register. Though the powers of Government are great, they are not great enough to mandate the press to report what we say accurately. Unfortunately, the press like to write about numbers. They multiplied our figures and came up with a large number that may or may not be our target. I was very clear with them at the press briefing, as I have been clear with them since, that the Government do not have a target for the number of children they want off the SEN register. What we want is schools to work with children to ensure they fulfil their potential.

When Achievement for All was rolled out in some schools, it was found that the increase in attainment was so great that children no longer needed to be on the SEN register. Surely that should be welcomed by everybody. This is not about arbitrarily reducing numbers.

Mrs Hodgson: I am listening with great interest to the Minister. She has clarified many of the points that have been raised. The media may have come to their conclusions because they felt that the figure of 21% of children being diagnosed with SEN was too high. I definitely read that in the media.

Sarah Teather: Unfortunately, I am not in control of what the media write. Ofsted said that too many children are diagnosed with special educational needs; it said the number could be as high as one in four. Let me repeat that we are not setting a target for the number of children we want off the SEN register.

We have changed the school action and school action plus criteria because schools said that they were bureaucratic and not very helpful. At the start of this debate, there was an exchange about whether there is a financial incentive for schools to use school action and school action plus. There is no financial incentive, because in

[Sarah Teather]

most cases the funds are already delegated to schools. We have got rid of contextual value added, which Ofsted said was an incentive, in terms of league tables. The issue is much more complex. Teachers will sometimes label children as having SEN because they think that that is the right thing to do; we should not always assume malicious motives. Teachers believe that the right thing to do is to label a child as having SEN, whereas what they probably need to do is work closely with that child, raise their attainment, and work out what the barriers are that are preventing them from moving forward.

It is important to identify need at an early stage. This morning, Dame Clare Tickell launched her report on the review of the early years foundation stage. It will take us some time to go through the detail of her recommendations, but one of the things that she has picked up—this was also picked up in our Green Paper and by the hon. Member for Nottingham North (Mr Allen) in his review a few months ago—was whether we could make better use of the two-and-a-half-year-old check and link it with the early years foundation stage, so that we pick up need at an early age. That is particularly important for speech and language issues. Dame Clare has recommended that the new foundation building blocks of the EYFS be focused particularly on communication needs, personal, emotional and social development, and physical development. I hope that the suggestion will help improve the system for professionals working in early years.

Robert Halfon: I realise that there is very little time left. Will the Minister comment on my remarks about the blue badge issue?

Sarah Teather: I was concerned to hear the hon. Gentleman's point about the particular difficulties that families with autism face. Families with a disabled child

face complicated and diverse barriers to living a normal life, and that is an issue that should not be addressed by the Department for Education alone. I will take up his point with the Department for Communities and Local Government.

In the last couple of minutes that I have left, let me pick up on as many points as I can. The Department of Health is considering the future training and development of speech and language therapists as part of its wider consultation on the work force.

Exclusions were referred to by a number of hon. Members. The proposals laid out in the Education Bill and in the schools White Paper will substantially improve the situation for vulnerable young people because it will make schools responsible for what happens to them after they leave that school. The other proposal that we have put in our Green Paper is that if a child's behaviour is not responding to normal behavioural management techniques, or if they are being repeatedly excluded on a short-term basis, schools should, as a matter of course, do some kind of multi-agency assessment, which could be done through the common assessment framework. They should use their local multi-agency assessment process as a system for questioning why a child's behaviour is out of control. I hope that will reduce the number of children who end up being excluded. More importantly, we need to ensure that we put in place the right kind of support for a child, whether it is helping with a situation in their family, or with a mental health problem.

I thought that I would have loads of time to cover all the points, but that is clearly not the case. There is a long consultation period now of four months, and a long period of implementation. I am grateful to hon. Members for their points and I will ensure that they are fed into our formal consultation process. I encourage hon. Members to engage with their local parents' forums and groups to ensure that, when we respond to the consultation, we really take into account what families and children want. It is important that we get this right because the care of those children really matters.

Squatting

11 am

Mike Weatherley (Hove) (Con): It is a pleasure to serve under your chairmanship today, Mr Brady.

I will start this debate with a quote:

"This place isn't nice enough for me. I want somewhere posher, with a swimming pool if possible."

Those are not the words of someone complaining about the gym facilities at the House of Commons. They are the words of one of London's most prolific squatters about his latest free home in Hampstead, as reported in the *Evening Standard* last week. We are all covering his council tax contributions, his electricity bills and his gas bills, and we are all paying for the police to investigate each time a new break-in is reported.

As my hon. Friend the Minister stated in a recent letter to me, squatting is

"the unauthorised occupation of property belonging to another person and amounts to trespass on land".

Some forms of trespass are criminal, such as those that take place on licensed aerodromes and railways, but I am focusing today on all the other forms of squatting. They relate to offices, flats and houses; to empty and occupied buildings, and to private and public property. These forms of squatting are unlawful but not criminal.

Squatting is a huge problem in Hove and Portslade and I have been campaigning on the issue since I was elected to Parliament. I am delighted that my hon. Friend the Minister and our right hon. Friend the Minister for Housing and Local Government have made joint announcements on the issue. I am also grateful to the organisations, such as Landlord Action, that have helped me to raise awareness of this issue around the country.

The Ministers' announcements will be widely welcomed by those who have been adversely affected by squatters. I will make the case today that time is of the essence. The problem is getting worse, not better. However, there are two sides to this story and getting to the crux of the matter is not just about cracking down on trespassers themselves.

I wish to dispel the myth, once and for all, that squatters and homeless people are one and the same. My constituency has both wealth and deprivation. It is a Mecca for every character imaginable, which makes it such a wonderfully diverse place to live in. Homelessness is an issue locally, but we have a fantastic support network of local charities, including Emmaus, Brighton Housing Trust, Off The Fence and the YMCA, which look after a great number of vulnerable people. It is our duty to look after such people and I fully support the excellent work being carried out in this area.

Tackling homelessness is also a high priority for Brighton and Hove city council. The council is working hard to reduce the number of empty properties in the city and last year alone 168 long-term empty properties were brought back into use. In 1997, 200 council-owned properties were long-term empty but that figure is now down to just 28.

However, putting considerable resources into removing squatters and paying for the damage that they inevitably cause places a strain on council services. In the past 18 months, there have been 10 instances of squatting in

council-owned properties in Brighton and Hove, which has cost local people more than £30,000 in legal bills alone. The repair bill for one particular property was £40,000, which again had to be picked up by the residents of Brighton and Hove. Squatters are damaging buildings that are in the process of refurbishment, which only exacerbates the housing shortage.

In my experience, squatters do not fit the profile of the kind of vulnerable people that we should be looking out for. I am generalising of course, but for the purpose of this discussion I want to make the point that serial squatters know the law. They submit freedom of information requests to councils to find out where there are empty buildings; they are "web-savvy" and highly resourceful; they run rings around the law, and what these professional squatters lack in respect for other people's property they make up for in guile and tenacity. They are organised and frequently menacing.

Mike Freer (Finchley and Golders Green) (Con): Is my hon. Friend aware of the Shelter website, which I was quite horrified to read? As he knows, my constituency has a persistent problem of squatters. But Shelter has a guide to squatting, about how to keep on the right side of the law, on its website. Does he agree that it is reprehensible to encourage people in this illegal activity?

Mike Weatherley: I thank my hon. Friend for that intervention and I very much agree with him. I will go on to make some specific points about "The Squatters Handbook" shortly.

I said that squatters know the law well but the absolute opposite is true when it comes to the public in general, who would be shocked if they knew just how powerless they are to take on squatters. Many members of the public do not find that out until it is too late. Section 6 of the Criminal Law Act 1977 makes it an offence to use violence, or threats of violence, to gain access to premises when

"there is someone present on those premises...who is opposed to the entry".

That section is what is usually referred to as squatters' rights, but I do not believe that it exists to assist squatting. It is in place to prevent unscrupulous landlords from using violence or intimidation to evict legitimate tenants. Squatters, therefore, have such rights only by accident.

A local resident asked me a question in my local paper, *The Argus*:

"If squatting is a practice that is socially unacceptable, how is leaving a property empty for more than a year any more acceptable?"

My answer is simple—it is not acceptable at all. I have contacted my local council on a number of occasions about the issue of empty buildings belonging to exploitative developers. We should be careful, though, not to embrace squatting on the principle that "our enemy's enemy is a friend". We must get tough on bad landlords—and soon—but buildings can be temporarily empty for all sorts of reasons and many of those reasons are entirely acceptable.

Mr David Nuttall (Bury North) (Con): One reason why a house remains empty is the death of the occupier. Such a house can very often lie dormant for months, sometimes years, while the family and the executors sort out probate, and it can be very worrying and distressing if squatters move in during that time.

Mike Weatherley: My hon. Friend makes an excellent point. Squatting can be very distressing for those who are affected by it.

Let us take the case of 40 Wilbury Villas in Hove. As I have said, Brighton and Hove city council is carrying out a huge refurbishment project on a number of properties. Those properties are public assets, which should be in use and let to those who have been deemed to be most in need of them. No. 40 Wilbury Villas is one such property and work on it was planned. However, when a particularly vigilant neighbour spotted the locks being changed, he knew that something was up. Straight away, a notice appeared on the door listing the rights of squatters. It was downhill from then on, as an endless stream of professional squatters turned up for their share of the spoils.

It is interesting that the notice on the door was selective about the laws that it mentioned. Many of the crimes that go hand in hand with squatting were conveniently left off that notice. There was nothing on the subject of breaking and entering; nothing on breach of the peace; nothing on the misuse of drugs; nothing on criminal damage; nothing on antisocial behaviour; nothing on non-payment of council tax; nothing on arson; nothing on robbery; nothing on unauthorised works to listed buildings; nothing on using utilities without contacting the suppliers, and there was certainly nothing on fly-tipping.

I have discussed the issue of squatting with Sussex police, and its powers are limited. There are not always witnesses in cases of squatting, so arrest is often difficult. Protected intended occupiers and displaced residential occupiers have some protection, but not enough. Incidentally, members of the same group of squatters that took over 40 Wilbury Villas then took over another property nearby, Park House. Once again, a historic building was damaged and as a result refurbishment of the property will now be more expensive.

Jim Shannon (Strangford) (DUP): Is there any way that the local authority could cut off the services to a property occupied by squatters and not reinstate those services? I understand that, such is their knowledge of the law, squatters are able to phone up and have the services reconnected. Is there not a position within the law whereby the services can be cut off right away because a payment has to be made?

Mike Weatherley: The hon. Gentleman makes a good point. However, I believe that local authorities cannot cut off services. If the squatters contact the electricity suppliers legally and use the electricity legally, the police are powerless to go and arrest them. There might be some other points about non-payment that could lead to services being disconnected, but I do not believe that services can be disconnected on other grounds. However, I will be interested to hear what the Minister has to say on that point.

Mr Brady, please forgive me when I say that I was sceptical when I read that my hon. Friend the Minister and my right hon. Friend the Minister for Housing and Local Government had jointly released the guide, "Advice on dealing with squatters in your home". The guide is actually very good and to the point, and I recommend it to anybody who owns a property that has been invaded by squatters, or to anybody who is a neighbour of a

property with squatters. Squatters themselves will not need to read it. As my hon. Friend the Member for Finchley and Golders Green (Mike Freer) mentioned earlier, they have their own guide, "The Squatters Handbook". Like the notice on the door at 40 Wilbury Villas, that handbook is sadly very selective, both when it comes to rights in the law and in its morality.

As I alluded to earlier, I have little sympathy for landlords who use loopholes in the planning system to run down buildings or for landlords who simply do not care that their properties are in a poor state. Compared to other countries, however, the UK has very few empty buildings. In Spain and Italy, more than 20% of the sorts of properties that we are discussing today were empty in 2009; in Germany, the figure was 8.2% and in France 6.1%. The current UK figure is between 3% and 4%. Among comparable countries, only the Netherlands and Sweden had lower figures, at 2.2% and 1.7% respectively. We can do better, of course, but the problem is not one of empty buildings. Business rates, council tax enforcement and compulsory purchase are all deterrents to leaving properties empty, but there is some scope for improving the system.

My recent early-day motion 1545 calling for squatting to be criminalised has attracted cross-party support. Members of the public are getting tired of hearing that squatters are getting so much for free when they themselves are struggling to get by. They are also fed up with the antisocial behaviour of, and general mess caused by, squatters. High-profile campaigns run by *The Daily Telegraph* and the *Evening Standard* are certainly helping to highlight what is really going on.

The extent of the problem was highlighted in a parliamentary question that I recently asked to determine which Departments had been affected by squatting. A number of Departments have fallen foul of squatters, including the Ministry of Justice, one of whose buildings was occupied by squatters twice in one year, with interim possession orders being sought to remove the squatters on each occasion. If the Ministry of Justice has problems, what chance have the rest of us got?

Fortunately, we do not need to look far for a solution. In Scotland, this form of trespass is already a criminal offence. I am aware that the Government have the matter under review, but I am concerned that the proposals will not go far enough. I welcome the announcement that squatting is likely to be criminalised, but the devil will be in the detail. Properties can be destroyed very quickly, and it should be possible to remove squatters instantly, as any delay results in further damage and destruction. There should be tough penalties and a criminal record.

I will end, as I began, with a worrying quote from our friend in Hampstead who wants a free swimming pool:

"Law changes will never stop us. The Government can say all they want but squatting will still go on... There is nothing they can do."

I hope that he is wrong.

11.11 am

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): I congratulate my hon. Friend the Member for Hove (Mike Weatherley) on securing this debate on a very serious issue. Like him, I have become increasingly concerned about the distress and misery

that squatters can cause to commercial property owners and home owners alike. In his excellent contribution, he identified the costs not only to individuals but to wider society, including the costs associated with enforcement by the police, and with all the public agencies that have to clean up after squatting incidents, either through the legal process or literally, when properties have been invaded. There should, therefore, be no doubt about the seriousness with which the issue is taken and the perniciousness of the crime.

I am extremely grateful for my hon. Friend's compliments about the guidance issued by the Minister for Housing and Local Government and me. My hon. Friend came to it with a proper degree of scepticism about whether it would be of any use. I am extremely grateful that, having examined it, he has referred to its utility. That is only the first stage of the process, so let me take Members through the further action that we are contemplating.

My hon. Friend has not been alone in raising the matter, both directly with me in questions and publicly, with this debate. He is joined by our hon. Friend the Member for Chatham and Aylesford (Tracey Crouch) who came to see me before Christmas to discuss the damage that squatters caused to commercial buildings supervised by one of her constituents. The extent of the damage and the cost to her constituents are appalling. She was accompanied by Steve Cross, head of security for a development company, who made it clear that squatters were costing his company many thousands of pounds because of the direct damage to the buildings, the problems caused to neighbours with loud parties, litter and rubbish, and the amount of time it takes to sort things out—sometimes six to 12 weeks for a court order to be granted and then finally enforced. We all know that the legal process is tricky, particularly for someone coming to it for the first time, and it is almost inevitably expensive, with court costs to be borne as well.

Since Christmas, we have seen a succession of newspaper reports about squatters occupying high-value residential properties in London, and there have been reports on the consequences of squatting in local papers all around the country, including, as my hon. Friend the Member for Hove has said, in his constituency. The situation is not confined to the capital, and I suspect that the picture is similar in other large towns, but we do not have a precise idea of how many squatters there are nationwide. We do know, however, that 360 applications for interim possession orders were made in the civil courts last year. An interim possession order is an accelerated process, specifically designed for evicting squatters. It provides an indicator of how many households are blighted by squatting each year, but that figure is probably only the tip of the iceberg.

It is because we are aware of the misery that squatters can cause that we intend to strengthen the law, and consider how to strengthen its enforcement. I hope that my hon. Friend will bear with me, however, because we are yet to complete the cross-departmental process of analysing our own Ministry of Justice internal suggestions before publishing a formal consultation. We are going through the internal agreement processes. Nevertheless, I would like to leave him with a clear steer on our approach.

Jim Shannon: Is there a role for the UK Border Agency here, alongside the police? I am not saying that this is always the case, but I am aware that in some cases squatters might be in the country illegally.

Mr Blunt: I certainly hope that if there were any reliable evidence that the people involved were in the country illegally, the UKBA would be engaged in initiating appropriate proceedings to remove them from the United Kingdom. I had not considered that angle in preparing my remarks for the debate, but the obvious answer is yes, one would expect the appropriate authorities—in this case the UKBA—to be properly engaged in exercising their responsibilities, in the same way as they would be in any other circumstance.

We will want to examine the existing squatting laws to see whether they can be appropriately strengthened because, having listened to my hon. Friend the Member for Hove, the issues that were raised at Justice questions yesterday, and the conduct of the whole public debate, it is pretty clear to me where the public are on this issue and I am confident that measures to strengthen the law would have significant support.

Mike Weatherley: Is the Minister considering full criminalisation of squatting as part of those measures? In my constituency and elsewhere, there are serial squatters who just move from one property to another when they are evicted. In one instance in my constituency, they kicked a hole in the wall and moved next door. The police are powerless to have any damages or continuing action taken out against the squatters. Without the criminal process, they are just moved on and then do it again.

Mr Blunt: That is, of course, one of the things that we are considering, and it has been pointed out that in Scotland squatting is a criminal offence. That offence, however, is extremely widely drawn and for that reason the tariff of punishment is extremely low. It is at the very bottom of the scale—a level 1 offence—with a fine not exceeding £200.

Mike Freer: Perhaps I could help the Minister on that point. I understand that squatting is a criminal offence under the Trespass (Scotland) Act 1865, which states that the maximum penalty is a fine or 21 days' imprisonment. That is a slightly firmer penalty than in the information the Minister has, and I urge the Government to adopt it.

Mr Blunt: That might have been the position in 1865, but I am afraid that the Criminal Justice Act 1982 restricted punishment to a fine not exceeding level 1, which is currently £200.

Mike Weatherley: It is important to establish that penalties in Scotland are too lenient. The fine is indeed £200 for an offence. The penalty for non-payment of that fine is 21 days.

Mr Blunt: I am grateful for that clarification.

Squatting is almost inevitably accompanied by a series of criminal offences, such as criminal damage or breaking into the property in the first place. The improper use of utilities was discussed. Using someone else's electricity is theft, subject to a maximum sentence of seven years. The unlawful abstraction of electricity is also a criminal offence, with a maximum sentence of five years. There are numerous avenues.

[Mr Blunt]

To lay out the picture in the time that I have left, the main criminal law provisions on squatting are set out in sections 6 and 7 of the Criminal Law Act 1977. I will deal with section 6 first, as it has given rise to the popular notion of squatters' rights. Section 6 of the 1977 Act states that it is an offence for a person to use violence to enter a property where someone inside is opposed to their entry. The offence was designed to stop unscrupulous landlords from using violence to evict legitimate tenants, but its existence has led some squatters to display so-called section 6 notices on the door of properties notifying the property owner that it would be an offence for him to break back in.

The offence does not apply to displaced residential occupiers who break back into their own homes, but it prevents commercial property owners from breaking back into their commercial premises when someone inside objects. One option that we have been considering, therefore, is whether section 6 could be amended to give non-residential property owners the same rights as displaced residential occupiers to break back into their property. We think that that would effectively render section 6 notices meaningless. After my discussions with my hon. Friend the Member for Chatham and Aylesford, I am strongly attracted to that option.

Section 7 of the Act includes an offence that is committed where a squatter refuses to leave a home when required to do so by a displaced residential occupier or a protected intending occupier of the property. Under the current law, the squatter has a defence if they can prove either that they did not believe that the person requiring them to leave was, or was acting on behalf of, a displaced residential occupier or a protected intending occupier, or that the premises were not used mainly for residential purposes and that they were not on any part of the premises used wholly or mainly for residential purposes.

Another option that we are considering is whether that offence could be strengthened to protect other types of property owner, so that owners of non-residential property would have the same protection as displaced residential occupiers. At present it is an offence, for example, for a squatter to refuse to leave somebody's home, but it is not an offence for them to refuse to leave a person's place of work. I appreciate that the actions of squatters may cause serious financial hardship in either scenario and am considering whether the law should apply equally to both.

We are examining internally the potential consequences of the available options to ensure that they do not overlap with other areas, such as landlord and tenant matters. The public consultation will give us another opportunity to ensure that our proposals work as we would all wish. The necessity of ensuring that we get it right and of engaging in a proper consultation process means that we will not be able to move as swiftly as I suspect my hon. Friend the Member for Hove would like. We must also identify the appropriate legislative vehicle if legislation is required. No doubt we will hope for right hon. and hon. Friends' assistance in getting any required legislative changes on to the statute book as soon as is practicable, but that is all for the future and depends on our conclusions.

Each option that I have described could have an impact on the criminal justice system. For example, the police and the Crown Prosecution Service might incur additional costs if asked to enforce new offences. The criminal courts might have to process a greater number of cases, although the impact might be partially offset by a reduction in civil claims. Depending on the penalty imposed for any new offence, there might also be an impact on the prison population. In the current economic climate, we must ensure that such impacts are carefully assessed and shown to be affordable. As I have said, a consultation would assist us in that process. We should be in a position to announce our plans in more detail soon.

Regardless of whatever changes we make to the law in future, we must work closely with enforcement authorities to ensure that existing offences are enforced as effectively as possible. In addition to the offences under the 1977 Act that I mentioned, the police can arrest squatters for offences such as criminal damage, burglary, theft or the unauthorised use of utilities if there is sufficient evidence of guilt. The offences all bear a maximum sentence of imprisonment. The offence of criminal damage has a maximum sentence of three months in less serious cases, rising to 10 years in the most serious cases. Burglary carries a maximum sentence of 14 years for dwellings and 10 years for other properties. For theft, the maximum sentence is seven years, and for the offence of abstracting electricity, the maximum sentence is five years' imprisonment.

There is another offence that applies to squatters. It is an offence for a squatter to fail to leave a property within 24 hours of being served with an interim possession order and to return to the property as a trespasser within one year of the order. Interim possession orders were introduced in 1995 to make the process of gaining possession of one's property easier and quicker. They are civil orders, but as I said, they are backed up by a criminal sanction with a maximum penalty of six months' imprisonment. My officials are in discussions with the police to ascertain whether there are specific difficulties in enforcing those offences and how any potential barriers might be overcome.

We must also ensure that property owners have the information that they need to get squatters out of their properties as quickly and painlessly as possible. That is why we have published new guidance on the Directgov website outlining the circumstances in which squatters should be reported to the police. As my hon. Friend will have seen, the guidance also includes advice on how to apply for a possession order in the civil courts, a process that is alien to many people until they are confronted by the appalling situation of finding their property improperly occupied by squatters.

I thank my hon. Friend for bringing this issue to our attention. This debate is only the latest emanation of concern about it. I have written to many hon. Members from all parties who have raised it with me in correspondence, a series of oral and written parliamentary questions have been asked and hon. Members have sought meetings with me about it, so I am grateful for the opportunity to respond to the debate and to make it clear that the Justice Secretary and I are determined to tackle the issue and to bring relief to the victims of this particularly distressing and pernicious crime.

11.28 am

Sitting suspended.

NHS (Public Satisfaction)

[HUGH BAYLEY *in the Chair*]

2.30 pm

John Cryer (Leyton and Wanstead) (Lab): I would like to thank the Speaker's Office for selecting the subject of public satisfaction with the NHS for debate. I will focus on three pieces of research, and on the Government's attempts to prevent information getting into the public domain, to prevent scrutiny of policy and to cut funding for future sources of information, all while failing to inform Parliament. The three surveys are "Public Perceptions of the NHS and Social Care" by Ipsos MORI from March 2010, the general lifestyle survey by the Office for National Statistics, and the British social attitudes survey by the National Centre for Social Research.

The first survey, "Public Perceptions of the NHS and Social Care" by Ipsos MORI, has been carried out every six months since 2000. It recently emerged that the latest results, from last year, were being withheld from the public domain. Ministers were accused of burying good news because the information clearly shows increasing levels of public satisfaction. On 22 March 2011, the Secretary of State was questioned about that by the Select Committee on Health, and particularly by my hon. Friend the Member for Walsall South (Valerie Vaz). The Secretary of State's defence was that as previous surveys had not been released, he would not release the information from March 2010. The reality is that the previous data were only ever released following questions by the Opposition. From March 2007, the then Opposition stopped asking for the information, and we can only assume that that was because the level of public satisfaction was increasing, and it did not exactly serve their purpose to draw that information into the public domain.

Mr Andrew Love (Edmonton) (Lab/Co-op): I want to emphasise what my hon. Friend says. I can recount a conversation I had with a local general practitioner, who told me that in the 1980s, a constituent of mine in need of a hip replacement came to see him. He could not get her a place anywhere within the health service. My constituency is deprived, and it was impossible for her or her family to get treatment privately, so she had to suffer in silence. That would not happen nowadays. My GP, who represents my constituents, told me that that has not happened to him since the early 1990s. Is that not the evidence we need to show that the health service has improved significantly in recent years?

John Cryer: I agree with my hon. Friend. I have had exactly the same experience. We were both elected in 1997, and when I became an MP, I regularly had people come to see me with orthopaedic problems who had been waiting for operations for two to two and a half years. Some of them were in serious pain and unable to work. In the past few years, the complaints I have been hearing are that people have not had an operation for four or six months. It is a completely different world.

The Minister of State, Department of Health (Mr Simon Burns): May I put the hon. Gentleman out of his misery before we start the debate on a false premise? He is absolutely right: the previous Government did not publish

the 2008, 2009 and 2010 surveys, to which he refers. It may be of interest to him to know that the 2010 report was published following a written answer by the Minister of State, Department of Health, my hon. Friend the Member for Sutton and Cheam (Paul Burstow) in December 2010, and placed in the Library.

John Cryer: If the Minister will calm down a bit, I will come to that. After the Secretary of State appeared before the Health Committee, it emerged that data until 2010 had been placed in the Library, and the results until December 2009 are on the Ipsos MORI website. I was granted this debate on 24 March and the data were released the following day, Friday 25 March, on the Department of Health website. Previously, the data had not been on the Department's website. It might be a coincidence, but it struck me that that was a fairly good time to bury good news: it was the day before 500,000 people tramped through central London on the TUC march in opposition to the cuts. The fact that the data were not initially released is unsurprising, given that polling showed a 72% satisfaction rating. Ipsos MORI concluded in the report:

"This level of satisfaction has now been recorded for over a year...suggesting that there has been a...positive shift in the public's perceptions of the NHS. Pride in the NHS also continues to climb and is at its highest recorded level".

Pride in the NHS is at its highest ever recorded level—an interesting statistic. We might hear a comment from the Minister about that.

Mr Love: The report has some very good news about public attitudes to the NHS. Why would Government, who are in control of the NHS, not want to publish such a report?

John Cryer: I will leave that to the Minister to answer, because I have not finished my comments about the suppression of statistics.

My story does not end with the original survey on public perceptions of the NHS. The second of the three surveys is the general lifestyle survey, carried out every year by the ONS on behalf of Government Departments, but that has had its funding withdrawn by the NHS information centre, for reasons best known to the Government. However, Sir Michael Scholar, head of the UK Statistics Authority, has warned that the decision may break the Government's rules on consultation. I should point out that the general lifestyle survey provides statistics on public health and does not involve NHS satisfaction rates. It produces figures, information and statistics for testing Government policy and holding Governments to account; it is important that the information be available for holding Ministers to account. If the decision to withhold funding for the general lifestyle survey stands, the information will not be available to us in future.

The Department of Health also intends to withdraw funding for health and NHS satisfaction questions in the British social attitudes survey. The survey will be familiar to many Members. It is carried out annually by the NCSR, which is a pretty respected body, both nationally and internationally. The withdrawal of funding was not announced to the House of Commons, but was

[John Cryer]

leaked over the weekend to Health Policy Insight, which published an interesting editorial that condemned the decision to withdraw funding in fairly colourful language.

The British social attitudes survey charts how NHS satisfaction started at 55% in 1983, which was the year the first survey was published. That plummeted to 35% by the time the Conservative Government left office in 1997. The latest satisfaction rate is 64%, which, according to John Appleby from the King's Fund, is the highest level of satisfaction since the survey began in 1983, and part of a continuous upward trend since 2002. He said:

"The NHS must have been doing something right to earn this extra satisfaction".

There is also an interesting quote from the director of the Nuffield Trust, Jennifer Dixon:

"I suspect that public satisfaction will decline because the pressurised financial climate will result in staff unrest, cuts, and the spectre of rationing but also because of the relaxation of some of the process targets that the public hold dear, such as waiting times."

She continued:

"To overload reform on top of that is the problem and to do both at the same time is very risky."

I emphasise "very risky".

The reason for killing off such research is fairly clear. The aim is to obscure the results of Government policies so that they cannot be exposed to the proper scrutiny that we all want, and to prevent comparisons with the records of previous Governments—Labour and Tory. If the information is not available, the records of previous Governments cannot be compared with the record of this Government.

There are a number of questions that I should like the Minister to answer. Will the "Public Perceptions of the NHS and Social Care" survey by Ipsos MORI continue to be funded and to be reported on? If it is not to be continued, will the research be replaced? The research is very detailed and heavyweight. I can provide it to the Minister, although I assume he already has it. I do not intend to imply that Ministers intend to cut funding for that research, but because of other decisions, we start to wonder whether that might be the conclusion.

The Government have decided, apparently without telling Parliament, to axe funding for two other crucial pieces of independent research: the British social attitudes survey, which I mentioned, and the general lifestyle survey, conducted by the ONS, which I also mentioned. Ministers have sneaked out the information that funding is to be cut in a fairly underhand way. Many Labour Members suspect that it is being done so that we cannot draw comparisons with previous Governments. The information will not be available to allow us to say, "Government policies were working but funding has been cut, which is having an effect on public perceptions and services."

Public perception is crucial. My impression and that of piles of research is that public perceptions are improving and are at an all-time high, but that does not satisfy Ministers, who are engaging in the biggest reorganisation of the NHS since Nye Bevan created it in 1947. If information is in the public domain showing that the public are very happy with the NHS, particularly acute

and GP treatments, it does not serve the purposes of a Government who are committed to the wholesale reorganisation of one of the most beloved institutions of British society. I look forward to what the Minister has to say.

Several hon. Members rose—

Hugh Bayley (in the Chair): Five Members wish to speak and we have about 50 minutes for debate; they can do the calculations for themselves.

2.43 pm

Tony Baldry (Banbury) (Con): The hon. Member for Leyton and Wanstead (John Cryer) makes his own points in his own way. Both my parents started to work for the NHS on the day it came into being: my father as a doctor and my mother as a nurse. Throughout the 60-plus years of its existence there has been enormous pride in the NHS, among those who work in it and among the community as a whole.

The interesting notion advanced by the Opposition is that because people are generally satisfied with their doctors, all is well with the NHS. Of course people are overwhelmingly happy with their GPs. By and large, we have freedom of choice over our GP, and if we are not happy with services we change our GP. It is of concern that a recent survey of NHS users found that one in five failed to get a prompt GP appointment when they asked for it, but that notwithstanding it is not surprising that nine out of 10 patients are satisfied with their GP surgeries. That is not the point. The point is that we have an ageing and more complex population who will rightly make increasing demands on the NHS. Unsurprisingly, most people have greatest contact with the NHS in the last years of their lives.

John Pugh (Southport) (LD): I do not want to put the hon. Gentleman off his stride, but is he not slightly missing the point made by the hon. Member for Leyton and Wanstead (John Cryer), which was not simply that people are satisfied with the NHS but that they are progressively more satisfied, which is a more surprising finding, is it not?

Tony Baldry: I have not missed the point at all. The point being made by the hon. Member for Leyton and Wanstead is that nine out of 10 people are satisfied with their GPs, so somehow all is well with the NHS and nothing need change. If my hon. Friend the Member for Southport (John Pugh) had read the report of the Public Accounts Committee, chaired by the former Labour Minister of State, the right hon. Member for Barking (Margaret Hodge), he would know that it concludes that although the previous Government increased the amount of money going into the NHS that did not lead to greater outputs. The report makes sobering reading, and I am concerned that more parliamentary colleagues have not read it and that it has not received the attention in the House that it deserves.

John Cryer: The point effectively made by the hon. Member for Southport (John Pugh) is that satisfaction rates are not remaining level but climbing markedly. The British social attitudes survey shows that in 1983 satisfaction stood at 55% and plummeted to 35% in 1997. It is now up to 64%. According to Ipsos MORI,

90% of outpatients, 88% of inpatients and 81% of accident and emergency patients are satisfied—the highest levels ever recorded.

Tony Baldry: The hon. Gentleman, again, makes his own point in his own way. He says, and I understand him, that members of the public are satisfied with the NHS so nothing need change. I am not sure whether he has read the unanimous PAC report that was published only weeks ago, but I remind Members that it says:

"The level of hospital activity has not kept pace with the increased resources as hospitals focused on meeting national targets, but not on improving productivity, and productivity has actually fallen over the last decade... Though the increased money going into the NHS has helped to reduce waiting times, improve facilities, and deliver higher quality care, the Department promised at the same time to improve productivity. It failed and, in future, the Department needs to have a more explicit focus on improving hospital productivity if it is to deliver its ambitious savings targets without healthcare services suffering."

Grahame M. Morris (Easington) (Lab): Does the hon. Gentleman agree that it is notoriously difficult to measure productivity in crude terms—activity, outcomes and so on—and that the quality of the output, which perhaps reflects the greater investment of resources, is not included in the survey?

Tony Baldry: I am sorry to hear the apologia of Opposition Members, who are confronted with concerns about what is happening in the NHS. I commend to the hon. Gentleman the National Audit Office report published on 17 December 2010, "Management of NHS hospital productivity". The NAO has no difficulty in measuring NHS productivity, and neither does the PAC. Before Opposition Members jump up, they should remember that the Labour party left the NHS with a huge, unpaid overdraft of £60 billion. It is a staggering fact that of the £65 billion of hospital building works carried out in the 13 years of the Labour Government, only £5 billion was paid for. Despite a number of very generous private finance initiative projects, the NHS still has an overdraft and must pay for £60 billion of hospital building works. The previous Government, while they may have put more money into the NHS, saw no improvement in outcomes and have left the NHS with a substantial overdraft.

As the Chair of the Health Committee, my right hon. Friend the Member for Charnwood (Mr Dorrell), has observed, even if, as intended, the Government manage to ensure that spending on the NHS is ring-fenced and runs ahead of inflation, the NHS, in the next few years, has to become substantially more efficient in how it uses its assets, and treats and looks after patients—hence the need for reforms. Let us be clear. The reforms are about cutting bureaucracy and improving patient care and have been proposed by the coalition Government to improve the NHS and to ensure that we maintain public satisfaction and support for the NHS. We need to ensure that the Health and Social Care Bill, which is going through Parliament, delivers those reforms in the best possible way.

I have no doubt that Ministers will give proper attention to the report next week of the Health Committee and that, in due course, the Government will have regard to any constructive suggestions from the other place to ensure that the Bill is as clear and effective as possible.

In any health system, however, difficult decisions have to be made about how one best utilises finite resources. However much money as a country we commit to the NHS, that money will be finite. Choices will have to be made about how that money is best spent: at one end of the spectrum, about whether and in what circumstances people get treated for varicose veins; and at the other end of the spectrum about when, and how often, major and significant, complex and expensive invasive surgery takes place. It seems to me that it makes extremely good sense for those decisions to be made in a collegiate manner, on behalf of their patients, by GPs. It seems to me to make very good sense to allow GPs, individually and collegially, to make value judgments about the quality of services being provided by individual hospital providers for their patients.

As the hon. Member for Leyton and Wanstead made clear when introducing this debate, patients trust their GPs and I see no reason why we should not, collectively, trust GPs to commission the best available services in the NHS. Critics of the reforms have sought to present them as something that they are not. However, as the Prime Minister has made clear on a number of occasions:

"we have ruled out price competition in the NHS."

He went gone on to make it clear that

"we must avoid cherry-picking by the private sector in the NHS."—*[Official Report, 16 March 2011; Vol. 525, c. 292.]*

John Cryer: Will the hon. Gentleman give way?

Tony Baldry: I am happy to give way to the hon. Gentleman, but I would just make the observation that I suspect that quite a number of his colleagues wish to contribute to the debate, and that every time I allow an intervention it probably reduces the time that they have.

John Cryer: I am very grateful to the hon. Gentleman, both for giving way and for his valuable advice that I will hold dear to my heart.

May I just point out that, although the exposure to EU competition laws—he is referring indirectly to that—is not in the Bill, primary care trusts are officially regarded as state enterprises? As state enterprises, they are not exposed to EU competition law. The new consortia that will replace them, because they are not state enterprises, will be exposed to EU competition law, and will therefore expose the NHS, generally, to EU competition law. Does he support that?

Tony Baldry: Again, that is a slightly bizarre argument from the hon. Gentleman. There has been much talk about competition in the NHS, which is surprising as the Labour party appeared to be in favour of competition in its own election manifesto. The coalition Government have made it clear that the only competition that will exist in the NHS is competition on quality, not price. The Secretary of State could not have made that clearer in the House when he said:

"At the point when a patient exercises choice or a GP undertakes a referral, the price of providers will be the same. By extension, competition must be on the basis of quality."—*[Official Report, 16 March 2011; Vol. 525, c. 387.]*

To deal with another misrepresentation, EU competition law already exists and the health reform proposals do nothing to change that. They do not, in any way, extend competition law. The Bill makes it absolutely clear that

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any competition can only be on quality, not on price. In any event, I find it strange that the Labour party and others suddenly seem to be coming forward to express concerns about the private sector in the NHS, when it was the previous Labour Government who, for example, in Banbury set up a privately run, privately managed, privately owned independent treatment centre and a privately managed, privately owned independent Darzi GP centre. The previous Labour Government, bizarrely, gave the private sector—because their contracting was so poor—some £250 million for operations that were never carried out. However, given that they have left the NHS with an overdraft of £60 billion, I suppose that they would consider £250 million thrown away on operations that were never actually carried out as, possibly by their standards, small change.

We have to realise, with an ageing population, more extensive treatments and new drugs becoming available, that we have to tackle bureaucracy in the NHS. We need to reform the NHS to make sure that it is as efficient and as effective as possible. We are ensuring that patients have choice—choice based on quality and from whom they receive care. There is simply no issue on this, in that the Labour Party said in its manifesto at the general election, and I am sure that the hon. Member for Leyton and Wanstead has read it:

"Patients requiring elective care will have the right, in law, to choose from any provider who meets NHS standards of quality".

We have made it absolutely clear, under the coalition Government, that the NHS will remain free at the point of need, paid for from general taxation, and be based entirely on need, not on the ability to pay. Those are fundamental principles of the NHS. They have been fundamental principles of the NHS ever since it came into being, and the coalition parties are, I am sure, determined not to undermine, in any way, any of the rights in the NHS constitution. Indeed, the coalition Government are seeking to protect the NHS, throughout the duration of the Parliament, by increasing NHS funding by £10.7 billion. A substantial number of GP groups, all over England, have volunteered as pathfinders to demonstrate how GP commissioning can work. GPs throughout Oxfordshire are coming together to form a suitable GP consortium.

Let me tell the House what is being said by those in my constituency who are involved in the GP consortium. Local GP Dr Judith Wright, who is co-ordinating the north Oxfordshire GPs, has said:

"Andrew Lansley's proposals will give power to local GPs to decide how that budget should be spent to meet local health needs. Priorities will be decided by doctors through a process informed by patients, local authorities, public health and secondary care".

Dr Wright went on to observe:

"I believe that GPs are best placed to be able to meet this challenge. Collectively they know the health needs of their local population. They can act as a catalyst for change. They will have a role in deciding the destination of local services and the route to get there."

Andrew McHugh, who is the practice manager at Horsefair surgery in Banbury, observed:

"The health budget is a finite resource. Andrew Lansley's proposals will give power to local GPs to decide how that budget is spent in order to meet local health needs. Priorities will be

decided by doctors through a process informed by democratically accountable public and patient involvement. We need to be looking for innovative ways of spending the health budget wisely."

In a recent issue of *Prospect* magazine, Ali Parsa pointed out that, as a nation:

"We used to spend 3 per cent of our GDP on healthcare in the 1980s...6 per cent in the 1990s, 9 per cent now and on our way to 12 per cent."

In the current financial climate, that is unsustainable. Business-as usual is not an option. We need to review what treatments are provided to ensure they are clinically effective and cost-effective—in other words, evidence-based practice. I think that Dr Judith Wright and Andrew McHugh's comments are extremely balanced and sensible.

Mr David Anderson (Blaydon) (Lab): I just came from a meeting of the British Medical Association about two hours ago. Its members asked me very clearly to pass this message on to the party on the Government Benches: will they please stop using the fact that GPs are becoming involved to suggest that they support the moves? They see becoming involved in terms of having no alternative—they say that it is being forced on them and that they are becoming engaged in the interests of their patients, not because they believe in what is being done.

Tony Baldry: May I suggest to the hon. Gentleman and to others that they actually start listening to what is being said? They might start by noting what was said in their own election manifesto. They might start listening to what the Prime Minister and the Secretary of State are saying on the Floor of the House of Commons, and the hon. Gentleman might as well do them the courtesy of just listening to what GPs in my constituency are saying on the record. It is clear that he is not listening. If he wishes to have a dialogue of the unlistening, that is a matter for him. The changes that the NHS needs are straightforward: less waste, more involvement, power to GPs and front-line doctors, nurses and other health professionals, and putting patients first. There is not really an intellectual divide on this matter. Indeed, the shadow Secretary of State earlier observed:

"The general aims of reform are sound—greater role for clinicians in commissioning care, more involvement of patients, less bureaucracy and greater priority on improving health outcomes".

I could not have put it better. As for less bureaucracy, ever since the coalition Government came to office, one of the things they have cut in the NHS is bureaucracy. That has resulted in 2,000 fewer managers since the general election, but, interestingly, 2,500 more doctors.

I have every confidence in the Secretary of State for Health. He and his ministerial team, while we were in opposition, took considerable efforts to visit Banbury on a number of occasions to understand the challenges being faced by the Horton general hospital and to meet with GPs. As he observed to local GPs before the general election, GP commissioning will enable those GPs in north Oxfordshire, south Northamptonshire and south Warwickshire who wish to send their patients to the Horton hospital to do so, confident that the money will follow the patient.

Again, I do not think it surprising that the shadow Secretary of State should have observed:

"No one in the House of Commons knows more about the NHS than Andrew Lansley—except perhaps Stephen Dorrell. But Andrew Lansley spent six years in Opposition as shadow health secretary. No one has visited more of the NHS. No one has

talked to more people...in the NHS...these plans are consistent, coherent and comprehensive. I would expect nothing less from Andrew Lansley."

If Opposition Members are not willing to listen to me, perhaps they would be willing to listen to the shadow Secretary of State.

The Secretary of State, when in opposition, visited my constituency at least three times, and I believe I am correct in saying that every member of the Government ministerial team in the Commons visited my constituency at least once, to understand the challenges and needs of hospitals such as the Horton. The Royal College of General Practitioners said that it believes that there should be more clinical commissioning. Even the British Medical Association has confirmed that it believes that GP-led commissioning is the right way forward. Indeed, the only opponents to the proposals appear to be the Labour party and the trade unions, but, given what the Labour party did when it was in office, and what it stated in its manifesto and even more recently, one can only conclude that, now that it is in opposition, it seeks to jump on every passing bandwagon, feels obliged to say whatever will keep the trade unions happy and seeks to block every sensible reform.

The views of the trade unions on all of this are as depressing as they are, perhaps, predictable, and in the category of trade union I also place the BMA. It is right to recall that the BMA opposed GP fundholding, longer opening hours for GP surgeries, which clearly would have been for the benefit of patients, and foundation hospitals. In fact, I cannot think of a single NHS reform over the years which it has not opposed, or a single one on which it has been in the vanguard.

No one pretends that health care systems around the world are facing anything other than enormous challenges. That is no less so in the UK. We need to be sure that patients and taxpayers get the best value possible for every pound spent in the NHS. We need the best possible outcomes in the NHS, whether for stroke victims, heart attack victims or those who have long-term medical conditions. The reforms are about building on the strengths of the NHS, improving it and making it better able to tackle the challenges of the 21st century. That is how we will ensure that people will rightly continue to be supportive of, and satisfied and happy with, the NHS, which we all want to be the best possible health service in the world.

3.3 pm

Mr Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): I congratulate my hon. Friend the Member for Leyton and Wanstead (John Cryer) on introducing a debate on such an important subject, and on the balanced way in which he opened it. I should declare that I am the co-chair with Lord Rix of the all-party group on learning disability. It is on that subject that I wish to speak in the five or six minutes that I hope to take.

I would like to make it clear that although I shall make several criticisms of aspects of the national health service, I stand second to no one in my regard for it or, as a GMB member, in my respect for those who work for the NHS, including the trade unions. They are helping to create their big society—a meaningful society—and making the NHS something of which we are all very proud.

The learning disability group has been helped considerably by Mencap. Today, I shall rely on its research and the many conclusions that it has reached. It published "Death by indifference" in 2007. Indeed, I had a debate in this Hall when the Labour Government were in power, so I hope that I will not be regarded as party political.

The report highlighted the tragic consequences of deep-rooted institutional discrimination in the NHS against people with a learning disability. In many cases, NHS staff did not know about the specific needs of people with a learning disability and did not take the time to understand and meet those needs. People with a learning disability are some of the most vulnerable members of society and have some of the most profound health care needs. Although the Government investigated the issue in the independent inquiry led by Sir Jonathan Michael, in a poll conducted on behalf of Mencap, almost one half of doctors, or 47%, and one third of nurses, or 37%, said that people with a learning disability received a poorer standard of health care than the rest of the population. In the same poll, 39% of doctors and 34% of nurses went as far as saying that people with a learning disability were discriminated against in the NHS.

I want to deal with the NHS complaints system. The unnecessary deaths—sadly, that has been the case—of people with a learning disability do nothing to increase public confidence in the ability of the NHS to give effective care to those vulnerable members of society who are most in need of it. However, that is compounded by the malfunctioning NHS complaints system which, as a result of being time-consuming, defensive and too heavily weighted in favour of health professionals, refuses to learn from previous mistakes in order to drive up standards and increase public confidence.

Following its "Death by indifference" report, Mencap has helped a number of families through the complaints system. It is revealing that not a single family has ever said they felt that justice had been achieved through the local complaints procedure. That is due to the overwhelming desire of NHS trusts to stand up for their staff, the potential conflicts of interest when NHS staff investigate complaints made about people working in the same trust, and a fundamental lack of understanding about what learning disability is.

The same issues are evident when the complaints are escalated to the parliamentary and health service ombudsman. NHS trusts have disproportionate access to support, in comparison with the families going through the complaints process. In addition, the time scales given for complaints to be dealt with are usually longer than expected and only succeed in drawing out a family's grief.

I would like to conclude with a few comments on this theme. In light of tragic cases of misunderstanding in administering health care to vulnerable people, public confidence in the NHS understandably has been undermined. The defensive nature of the NHS complaints system, however, means that the NHS does not learn valuable lessons which could help prevent unnecessary deaths from occurring in the future. Public and patient confidence in the NHS will be improved only with greater accountability and transparency so that people can see that efforts are being made to drive up standards. The complaints process is central to that and therefore

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requires a fundamental overhaul to make it a more impartial and reflective system. That is necessary to drive up health outcomes across the NHS and to increase public confidence in it.

3.9 pm

John Pugh (Southport) (LD): Putting aside his conspiracy theory, I congratulate the hon. Member for Leyton and Wanstead (John Cryer) on initiating this important and timely event. I say that it is timely, but it is not timely for the poor Minister, who was unwell yesterday, and who does not look too good today. I understand that his colleague, the Minister of State, Department of Health, the hon. Member for Sutton and Cheam (Paul Burstow), is now also smitten, so the casualties from the Committee considering the Health and Social Care Bill are on the increase.

There may be good reasons for substantial change in the NHS, and one of those that has been given is not that the public are not satisfied with the NHS, but that they should not be satisfied with it. It must be conceded, of course, that the case for radical change is lessened a little if the public are increasingly satisfied with what goes on. The hon. Gentleman has drawn attention to, and put beyond all doubt, the fact that the public are satisfied with the NHS, and we should have that important truth out in the open. Whatever we do in policy, it is important that we are evidence-led, and a wanton disregard for evidence when making policy is wicked and morally irresponsible.

If we ignore the conspiracy theory aspects of the hon. Gentleman's contribution, it is clear that he has done the House a service by drawing attention to the truth that the public are broadly satisfied with the NHS. We cannot be as confident, however, about the explanations for that. It is most unlikely that public satisfaction is unconnected with things such as decreased waiting lists and increased investment. It is also most unlikely that it is unconnected with the dedication and skill of NHS staff, which remain no matter what politicians decide in this place.

However, satisfaction can be linked to other things, such as sentiment. Some years ago, research into the NHS produced some rather puzzling outcomes. If people in general were asked about the NHS, they had a fairly negative view, but if they were asked about their personal treatment at the hands of the NHS, they were thoroughly satisfied. That was explained by the way in which the media portrayed the NHS and the way in which stories about the NHS appeared in the media.

Another interesting bit of data, which the hon. Gentleman did not allude to, indicates that we are talking not just about a switch in what the media, and therefore the public, are saying. Reports about the NHS by NHS workers themselves have been increasingly positive. Worryingly, there was a stage when a lot of them would give a rather bad account of what was going on in the NHS when they were asked about it. Recently, the data have shown quite conclusively that people working in the NHS speak more positively about it. Such people are more immune to changes in media tone.

The debate so far, however, has been not so much about whether people are satisfied, which we can all take as read, as about whether they should be satisfied. Clearly, that depends not on whether they are satisfied with the NHS, but on whether the NHS actually does its job, which is to make people more healthy, not more satisfied. To give an example, people often feel very satisfied and contented with small maternity units, but such units sometimes have higher infant mortality rates, and outcomes are actually less satisfactory.

Patient-reported outcome measures—PROMs—sometimes show a different picture from clinical outcomes. We have mentioned independent treatment centres, and a lot of evidence seems to show that people are very satisfied with them, although the satisfaction is more to do with the catering and reception arrangements than with the clinical outcomes.

The moot question, therefore, is whether patients have reasonable grounds for dissatisfaction or satisfaction with NHS, whether or not they actually express any—always bearing it in mind that what the public are reluctant to fund, they should not complain about. However, the real question, given the funding that the public have set aside for the NHS, is whether the NHS has delivered the outcomes that people could rationally expect.

When pressed on the issue, senior Government politicians, up to and including the Prime Minister, talk about three issues: cancer and heart disease outcomes, bureaucracy and unimpressive productivity, which are presented as legitimate gripes. It is sometimes tempting to believe that politicians need to find faults in public services because they like reforming them, and I am sometimes inclined to think that we should redefine public services as anything a politician wants to reform. However, there is a need to find out whether there are any real grounds for dissatisfaction with the service we currently have. Unless we can find genuine grounds for people to be dissatisfied, whether or not they are, we should not have overly radical disturbance or upheaval in the system.

Can we make a case for public dissatisfaction? Let me briefly take the three issues I mentioned in turn. We certainly should not bang on about the cardiovascular field. I had the unnerving experience the other day of listening to the Prime Minister at Prime Minister's questions tell the House how poor our outcomes were when set against those of comparable countries. Later, I attended an event organised by the British Heart Foundation to celebrate world-beating progress. That was a very puzzling experience. The King's Fund has adequately exposed the myth about heart disease outcomes, and no one in the Department of Health should embarrass the Prime Minister any longer with briefings that disappoint and depress those who are better informed on this issue.

Last week, the Prime Minister notably stuck to the safer ground of cancer outcomes. To be fair, despite sharp falls in mortality among males and excellent progress on breast cancer treatment, we do not seem to excel our peers, and there is clearly work to be done. When looking at the issue, however, we should not use just the old research done by Professor Coleman 10 years ago, because the data on the issue is quite weak. If there are poor outcomes on cancer, however, it is not obvious why it therefore follows that structural and organisational upheaval is the solution, particularly as the prime cause of poor cancer outcomes, as far as I can tell, is late referral by GPs, and the prime solution is a more

integrated service and strong regional clinical networks. It is a fact that we spend less on the treatment of cancer than the countries we compare ourselves with.

Turning to the other flaws, there are legitimate objects for criticism from time to time. On bureaucracy, I assume that everybody here understands that the administrative costs of running the NHS compare very favourably with those of running health systems in other parts of the world; that is not a debateable point. Even if those costs are higher than we would wish, they certainly compare favourably.

It is quite true, as the hon. Member for Banbury (Tony Baldry) and the Public Accounts Committee have said, that productivity has not increased linearly or proportionally with investment, but that is true of business sectors, too. That is a common phenomenon; every extra pound does not give us the same amount in increased productivity. The wonder is that people expect life to be that simple. If that is a real problem, however, it is a poor argument for giving GPs all the money to spend, especially when the National Audit Office research, which has been quoted, shows that giving GPs extra money under the contract would not necessarily give us a vast increase in overall productivity. If we drew a graph showing the rise in income and the outcomes at GP surgeries—I can give hon. Members copies of the PAC report—we would find a phenomenon similar to that described by the hon. Member for Banbury with respect to hospitals. There does not, therefore, seem to be quite as clear-cut a case as one might wish to justify a case for public dissatisfaction, and the public might have a case for not being as dissatisfied as all that.

I want to refer Members to an excellent document from the Commonwealth Fund, which contains up-to-date research on many health systems across the world that are comparable to that in the UK. The research includes a number of indicators that are very favourable to our system, and this is copper-bottomed research. It shows that the UK has lower than average spending; that, according to UK citizens, our system needs less changing than those of our peers—that is what people in our country say and what people in other countries do not say to the same extent; that it inspires the greatest confidence in terms of effective treatment; that it requires the citizen to fork out the fewest additional payments; and that it is among the best for quick appointments, access and diagnosis. It is not perfect, and I have not undermined the case for all sorts of changes in the NHS, but as we say in Lancashire, "Mustn't grumble." There is a case for looking at what we have delivered and perhaps celebrating it.

As Government, as parties and as politicians in general, we can certainly make a case for reform, and that case can be made independently of this debate. What I cannot convince myself of at the moment—indeed, none of us can—is that the public are dissatisfied with the NHS. They are not. Nor can I convince myself that they have grounds for dissatisfaction that go beyond those one would find in any health service, anywhere in the world at any time.

Hugh Bayley (in the Chair): It might help Mr Anderson and Mr Morris if I say that the two Front Benchers have each agreed to speak for 10 minutes, which leaves a further 20 minutes for debate: 10 minutes for each of you. Mr Anderson.

3.20 pm

Mr David Anderson (Blaydon) (Lab): I congratulate my hon. Friend the Member for Leyton and Wanstead (John Cryer) on getting this debate. Like the hon. Member for Banbury (Tony Baldry), I stand here as the son of a nurse, though she stopped work before the NHS was created. Through her lifetime she saw the improvements in the NHS. I also stand as a man whose niece is fighting for her life in intensive care in the Royal Victoria Infirmary, Newcastle. She is a young girl of 40 years old. I call her a girl because from the day she was born she has been hit by muscular dystrophy. She has needed the NHS from the first minute of her life. It has been there for every moment, as it was for one of my sisters, who sadly died at 53 of the same disease. The NHS was always there for them, never perfect, but second to none when compared with health services around the world. Those of us fortunate to have better health have always been prepared to pay to ensure that those who need help were able to get it.

Due to my experience with muscular dystrophy, I have the privilege of being the chairman of the all-party parliamentary group on the subject. That group has shown what we as parliamentarians can do together. We have come together, across the parties, and made huge improvements in the past few years in ensuring that specialist commissioning groups have worked with the all-party group here and with PCTs on the ground, making real improvements in the lives of people suffering from muscular dystrophy. We had a meeting about a month ago in this House. People came from across the country and across the political spectrum, and there were also professionals in the health service. They were all concerned about the direction of travel on which the Government are bent. Their concerns are: will they still be able to access the things they need? Will specialised commissioning groups still be able to work together to deliver the services they want? They have genuine concerns that the all-party group will take forward with the Minister as the debate continues.

This debate is about satisfaction. Why is satisfaction up? There are a number of reasons. Although I have some issues with the hon. Member for Banbury, I agree with him in that I have campaigned against the private finance initiative since before the previous Government took office, since the early 1990s, when the idea was first floated by the former Secretary of State for Health and now Lord Chancellor and Secretary of State for Justice, the right hon. and learned Member for Rushcliffe (Mr Clarke). I opposed it back then, and I have thought it the wrong direction for my Government to take over the past 13 years. The truth is that my Government had to do something.

The hon. Member for Banbury hit the nail on the head when he said that spending on health was 3% of GDP in the 1980s. We know it was 3% because people were being looked after in Victorian hospitals. As my hon. Friend the Member for North Durham (Mr Jones) regularly says, in his area people were being looked after in an old workhouse. That was not good enough for the Labour party, and it was not good enough for the people of this country. That is why we decided that over the period we would increase investment in the NHS, and we increased it by 300%. The people of this country went along with that, including when we put 1% on national insurance contributions. People supported that

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move because they believed in the service that the NHS delivered. We should never forget that.

During discussions on developing a more capital-intensive NHS, into which a lot of money went, we saw real moves on staff harmonisation, recognising the roles of staff and increasing the responsibilities of people at different levels in the health service. A huge amount of work went into that. While that was happening, other work was being done on improving public health across the board.

The hon. Member for Southport (John Pugh) raised the issue of productivity. It is strange how he defined productivity. I would be interested to read the report from the NAO on defining it, and I am glad that he has brought it to my attention. Productivity used to be measured in the health service by recording when an episode concluded. An episode could be concluded when someone died. A hospital where more people died was more successful in terms of productivity than one where somebody kept coming back and that episode was not concluded. That is a perverse way to look at productivity. The real measure of productivity is that there are twice as many people alive at 85 and over than there were 20 years ago. Should we not celebrate that? Is that not a productivity increase of which we can all be proud? That is the result of the work done.

I am not going to pretend the NHS is perfect. We know it is not perfect; every one of us as constituency MPs will have dealt with issues.

Ian Mearns (Gateshead) (Lab): It is not a question of not thinking that it is perfect, but one of wanting constantly to improve it. The hon. Member for Southport (John Pugh) offered a view, with which I concur, that an individual's experience of the NHS is different from their broad view, based on what they read in the press. The personal experience of the vast majority of people is either positive or very positive. The broad view is less so, which is hardly surprising, since the vast majority of editors of news journals in this country do not regard good news as news at all. It is also true that many people have a positive view of services they perceive to be under threat. Take the example of a local school. There is always a more positive view if it is under threat. The problem in this country is that millions of people, sadly, believe the NHS to be under threat.

Mr Anderson: I thank my hon. Friend and neighbour. I will discuss that with him later.

As a constituency MP, I have had three cases over the past six years of supporting people making complaints against the NHS. We took them as far as we could, trying to raise resolutions. However, none of those people opposed the NHS as an organisation; it was the specific treatment they had received that they were complaining about. There have actually been hugely improved outcomes, as I know from talking to thousands of ordinary folk across the constituency. How happy they are that we built—thankfully, before this Government got in—a new health and leisure centre in Gateshead. Unlike the Building Schools for the Future money, that was not stopped. We got it built before 7 May last year: thank God for that. The real people who matter—the public—are concerned about where we are going.

We should be thankful for the people who work in the NHS. I get really frustrated and annoyed when I hear coalition Members and the Secretary of State, who seems to take real pleasure in denigrating trade unionists, as if trade unionists were removed from this. The vast majority of trade unionists who represent health workers are hands-on professionals. They are not sitting in an office all day; they are at the coal face. They are not just talking about representing people; they are doing it, day in, day out. It is a disgrace that a party pretending to be the party of the big society should denigrate the people who are part of the largest voluntary group in the country. They stand up for people day in and day out. At the same time as standing up for their colleagues, they work in the service, they represent the service and they fight for the people they take care of. Their voice is important; their voice is informed and should not be ignored.

What do we see? We see Ministers refusing to listen to groups within the health service. I just picked up a report of the Second Reading, when I referred to one of those groups, the King's Fund. Others include the Ministers' own colleague, the hon. Member for Totnes (Dr Wollaston); the British Medical Association, denigrated here by the hon. Member for Banbury; the Royal College of Physicians; the Royal College of Nursing and the head of Arthritis Care. Every one of those has been ignored by the Government, on the basis of "We know best."

Most Conservative Members have had a degree of education way beyond mine. However, in this debate, the words of my hon. Friend the Member for Bolsover (Mr Skinner) should be heeded, when he said that a lot of them have been "educated beyond their intelligence". If this debate does not show that, nothing else does. The truth is that constantly over the past 13 years, health professionals have said to us, "Let us get on with the job." The promise the Conservative party gave in opposition was that it would do exactly that; it would let them get on with the job, because there has been far too much meddling in the health service. I agree with that but, now, instead of letting them get on with the job, the Government are turning the health service upside down. Not only will it not work, it will make it much worse. It is a disgrace that it is happening.

3.29 pm

Grahame M. Morris (Easington) (Lab): It is a pleasure to serve under your chairmanship, Mr Bayley. I pay tribute to my hon. Friend the Member for Leyton and Wanstead (John Cryer) for securing this important debate on public satisfaction with the NHS. Some important issues have been raised by my right hon. and hon. Friends, but I will not rehearse them. Suffice it to say that we are having this debate because information has been released as the result of a debacle in the Department, and I am delighted that the information is now available. There may be a good reason for the Secretary of State wanting to keep the contents of the satisfaction report under wraps. It confirms the outstanding NHS legacy that Labour passed to the Health Secretary in 2010. He inherited a national health service that was rescued from 18 years of Tory mismanagement, and now enjoys the highest rate of public satisfaction in its history.

The Ipsos MORI survey, to which my hon. Friend the Member for Leyton and Wanstead referred, states:

"Public satisfaction with the running of the NHS remains very high at 72%. This high level of satisfaction has now been sustained for over a year making the public's perception of the NHS a real success story."

The real reason why the Health Secretary hoped that his Department had not published that report is that it shows him to be completely out of step with the British public. He cites his former boss, Lord Tebbit, as his political hero, but he does not understand what the public so value about the NHS. Instead, he is doing to it exactly what he did to the utilities in the 1980s, when he was working for his hero, Lord Tebbit, by applying 1980s privatisation principles and policies to the health service.

Current polls of public satisfaction with the NHS are all the more important when we consider that the revolution—that is what it is—now under way in the NHS was not described or set out for the British people until some months after the general election. The Conservative manifesto said the Conservatives would

"defend the NHS from Labour's cuts and reorganisations",

yet the Government are delivering a real-terms cut in spending, and a radical reorganisation that will undermine the NHS.

Nowhere did the Health Secretary explain his plan to apply 1980s-style privatisation mechanisms to the NHS; to create an economic regulator for health in the form of Monitor, costing upwards of £500 million over the lifetime of this parliament, an issue that was raised by the hon. Member for Banbury (Tony Baldry) in respect of the Government's commitment to reduce bureaucracy; to expose the NHS to European competition law, which also applies to our utilities; or to handing the £80 billion NHS budget to private bodies with GPs as figureheads, but to which freedom of information provisions will not apply.

Instead, the Health Secretary spent the previous six years as Opposition spokesman doing everything possible to avoid giving any indication of his plans for radical change for the NHS. I am sure that there was no mention of removing the private patient cap to allow uncontrolled focus on profit-making in hospital trusts, a mechanism that will push NHS patients to the back of the queue.

The Secretary of State's coyness had paid off, because the public, who are overwhelmingly satisfied with the NHS service that Labour had rebuilt over 13 years in government, did not suspect a thing. Health was not raised once in the last prime ministerial debate before the general election.

I want to focus my remarks on how public satisfaction, and in some areas dissatisfaction, might apply to the Health Secretary's proposals in the Health and Social Care Bill. Now that the Ipsos MORI survey has found its way into the public domain, we may consider its implications for the current upheaval planned by the Secretary of State. Three specific polls in the survey give a clear indication of public preference for the future of the NHS, with between 63% and 65% agreeing with the following statements: first, the

"NHS provides good value for money to taxpayers";

secondly, the

"NHS provides patients with the best treatment possible";

and thirdly,

"people are treated with dignity and respect when they use NHS services."

In-house NHS provision of a high quality is favoured by the public, but the Tory-led proposals in the Health and Social Care Bill threaten that. Over time, as the private sector wins contracts from NHS bodies, the NHS provider that is displaced will have to close, and there is a risk that we will be left with private companies competing with one another for multi-million pound contracts. That is the Lansley vision of the NHS, and it is completely out of step with British public opinion.

John Pugh: People were asked whether major changes or only minor changes were needed in their local health system. The figures for the UK show that 62% believe that only minor changes are needed, which is by far the highest figure on the graph of most of the comparable systems.

Grahame M. Morris: I thank the hon. Gentleman for that intervention. His point is a good one, and was well made. There is no need for the revolutionary change that we are facing.

Time is limited, so I shall conclude. Without polling and without understanding the facts, the Government would take a reckless step in the dark. If they do not consider public opinion in their annual surveys, they may end up with a shock in the biggest survey of all—the one planned for May 2015.

Hugh Bayley (in the Chair): I shall call Mr Dromey to order at 3.40, so he has a few minutes in which to speak.

3.36 pm

Jack Dromey (Birmingham, Erdington) (Lab): It is a pleasure to serve under your chairmanship, Mr Bayley. Unaccustomed as I am to being brief, the national health service is the jewel in the crown of public service provision. It was one of the greatest achievements of the post-war Labour Government. It has served this country well for two generations and, as with the hon. Member for Blaydon (Mr Anderson), my mother was a nurse who came from County Tipperary to train in a hospital here in London.

The national health service was on its knees in 1997, and was proudly rebuilt by a Labour Government. I see the benefits of that in my constituency and Birmingham as a whole in the magnificent Queen Elizabeth hospital, the health centres such as that in Stockland Green, and the walk-in centres such as those in Kingstanding and Erdington high street. They are served by outstanding staff whom I cannot praise too highly. They range from Erdington consortium of 17 doctors who are deeply committed to the NHS—my hon. Friend the Member for Blaydon is right—staff at all levels of the NHS who are a credit to this country.

The problem is the Government's two fundamental broken promises. They promised to protect spending on the NHS, but in fact there will be real-terms decreases in 143 of the 151 primary care trusts this year. The Government promised no more top-down reorganisation. Instead, they have embarked on the most radical and reckless reorganisation possible, which will have serious consequences for the NHS, and will inevitably see the

[Jack Dromey]

national taken out of the national health service. The Government should think again about their friendless proposals, and I welcome the expressions of concern from both sides of the Chamber about the ill-thought-out, deeply damaging proposals.

It is not just the NHS that will suffer. So too will some of the most vulnerable groups in our society. Like my hon. Friend the Member for Blaydon, I have been a strong supporter of the muscular dystrophy campaign, one of many organisations which has pointed out that, at the moment, because of economies of scale organised through PCTs, we can count on specialist services that those who suffer from this dreadful wasting disease and their families badly need. It asks what will happen in future if we move to GP consortia and a complete change in the nature of the national health service. It believes that it is being let down by the Government, who are making a fundamental mistake, and I hope that they will think again.

3.39 pm

Emily Thornberry (Islington South and Finsbury) (Lab): It is an essential truth that there is mounting satisfaction with the national health service, just as there was during the Labour Government's entire period in office. I thank my hon. Friend the Member for Leyton and Wanstead (John Cryer) for securing a debate on this important subject. It is a pleasure to serve under your chairmanship, Mr Bayley, for the first time.

It has been interesting to hear the different views expressed in this debate. We heard some interesting views from the hon. Member for Banbury (Tony Baldry), and I am glad to hear that his GPs are still speaking to him. Perhaps he should listen to a larger group of people who work in the national health service, because he will find that at the moment it is the NHS versus the Government.

I listened with interest to the hon. Member for Southport (John Pugh), and perhaps we should also put on the record the interest shown by Labour Members. Attending the debate are my hon. Friends the Members for Easington (Grahame M. Morris), for Salford and Hyde (Jonathan Reynolds), for Gateshead (Ian Mearns), for Edmonton (Mr Love), for Wansbeck (Ian Lavery), for Leyton and Wanstead, for Blaydon (Mr Anderson), for Bolton North East (Mr Crausby), and for Birmingham, Erdington (Jack Dromey), and my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr Clarke). I shall give an honorary mention to the hon. Member for Strangford (Jim Shannon), too. I believe they would all speak with one voice: the national health service is popular. It is not perfect, but it is doing a good job. Leave it alone and do the right thing.

In 1997, only 35% of people were very satisfied with the national health service. According to the survey of British social attitudes, that figure rose to 60% under the Labour Government. The NHS became a non-political issue. The Ipsos MORI poll consistently showed that seven out of 10 people described the NHS as a key issue, but by 2009 only one in 10 people felt the NHS to be one of the most important issues for them. As a result, the Conservatives changed their strategy and tried to make the NHS a non-political issue. They tried

to adopt it; I remember they did the same with green policies. I was working in the Department of Energy and Climate Change at the time, and for every new idea we thought of, the Conservatives would say, "That is a very good idea; we thought of it first." They did practically the same thing with the health service.

The Prime Minister led the charge and spoke about the support that his family had received from front-line NHS staff. People wanted to believe him and felt sympathy for him. They understood what he was saying and wanted to believe his promise to protect the NHS. In fact, analysis has shown that attitudes to the Prime Minister changed fundamentally. He went from being seen as an ex-Bullingdon boy and a shadowy ex-adviser to Lord Lamont—

3.41 pm

Sitting suspended for a Division in the House.

3.54 pm

On resuming—

Emily Thornberry: Before the Division, I was talking about the way in which the former Bullingdon boy and shadowy ex-adviser to Lord Lamont was transformed by his seeming commitment to the national health service. People wanted to believe that he wanted to protect public services. When the Prime Minister summed up his priorities as N-H-S, people wanted to give him the benefit of the doubt.

Before the last election, the Conservatives made two promises about the NHS. First, they promised to increase spending year on year. Secondly, in November 2009, the Prime Minister told the Royal College of Pathologists:

"With the Conservatives there will be no more of the tiresome, meddlesome, top-down re-structures that have dominated the last decade of the NHS."

They have broken both those promises. Although we have heard them claim that the Secretary of State for Health talked about his proposals on a wet Wednesday afternoon in Wimbledon, the people do not believe it; they were not there to hear it, they do not believe that they voted for it, and they certainly did not vote for it when they voted for the Liberal Democrats, because they believed that they were voting for elected primary care trusts when they voted Lib Dem.

The Conservatives are taking a huge risk by undermining the NHS. Nigel Lawson has said that the NHS is "the closest thing the English have to a religion".

People meddle with it at their peril. Going into battle with it, as the Government have done, will be toxic for them.

The Conservatives are at long last realising that they have made a profound mistake, but it is too late, because people know that introducing competition into the heart of the national health service is completely at odds with the NHS ethos of equality and co-operation. That the Conservatives are doing all this without a mandate from the people makes it even worse. Their reforms are causing profound unease among health workers and the public.

The Conservatives are so desperate to cover up and to counter opposition that they have been trying to manipulate public opinion with false statistics. To hear the Prime Minister claim that we are behind the rest of

Europe on heart disease and cancer was appalling. He was corrected by Professor John Appleby, who has already been quoted. It is simply inaccurate not to put into the mix the fact that the UK had the biggest fall in heart-attack deaths between 1980 and 2006 of any European country. At that rate, we will have one of the lowest death rates for heart disease. It is a similar story for lung cancer and breast cancer—two of the other main killers. That is, of course, as long as standards continue to improve and the NHS is not distracted by things such as a major reorganisation of the entire NHS.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): I am grateful to my hon. Friend for putting on the record some of the real health outcomes in this country. The hon. Member for Southport (John Pugh) summed it up when he said that even if those health outcomes were not improving, there is no causal link between that area and the reforms that the Government propose; does my hon. Friend the Member for Islington South and Finsbury (Emily Thornberry) agree?

Emily Thornberry: That is right. It is a little like saying, "There are some difficulties with the national health service, so let's change it," without looking to see whether those changes will actually attack the problems. None of us says that the national health service is perfect. More things need to be done, but instead of building on our achievements, the Government are undermining the national health service by taking it by the ankles, turning it upside down and shaking it hard. People do not support them in doing that. Some people even heard the Prime Minister say on the "Today" programme that the national health service was second-rate. However, the penny has finally dropped for the Conservatives and they realise that they are not bringing public opinion with them when they seek to undermine the national health service in this way, so instead they have tried to suppress the information that proves that there is huge public support for our NHS as it is now, fundamentally. That is the story of what has been happening in the last few days.

To begin with, we have the unedifying spectacle of the Secretary of State saying that he will not give out certain information about what the public feel about the national health service. Then he discovers that in fact it has been given out. It is wrong of the Conservatives to suppress information about what the public think about the national health service—information that the public have paid for. It shows what their views are, and gives us a baseline before this forthcoming major trauma for the NHS. Then the Secretary of State says, "Actually, I've made a mistake. I gave out the information in any event." That is the other big concern about the present Government. Not only are their reforms fundamentally driven by their ideology, but they are incompetent. There is much criticism of that.

The bottom and top of it is this: the Conservative party can do whatever they want with statistics. They can spin as they wish with whatever they want. They can say black is white until they are red—or blue—in the face, but the truth will out. The truth is that the public love their NHS. Labour gave the Government the national health service on trust. They should work on what we have achieved and tackle any outstanding problems. My hon. Friend the Member for Easington

gave me this quote because he did not have time to use it, but it needs to be said as often as possible. Bevan said:

"The NHS will last as long as there are folk left with the faith to fight for it."

The NHS does have folk willing to fight for it.

4 pm

The Minister of State, Department of Health (Mr Simon Burns): As others have said today, Mr Bayley, it is a pleasure to serve under your chairmanship.

We have had an interesting debate. Some speeches were a continuation of what has been said in the Health and Social Care Bill Committee, and they bordered on fantasy. Other speeches were extremely informative. The speech of my hon. Friend the Member for Banbury (Tony Baldry) was in the latter category, and my hon. Friend the Member for Southport (John Pugh) made a reflective and interesting speech. I listened with extreme interest, as I always do, to the right hon. Member for Coatbridge, Chryston and Bellshill (Mr Clarke), who made a typically thoughtful speech about an area of health and social care on which he is an acknowledged expert. I listened to the hon. Member for Easington (Grahame M. Morris), as I often do these days, and to the hon. Members for Birmingham, Erdington (Jack Dromey) and for Blaydon (Mr Anderson). It was rather like a curate's egg—parts of it, depending on which hon. Member was speaking, were all right, and other parts slightly broached on to fantasy island.

I congratulate the hon. Member for Leyton and Wanstead (John Cryer) on securing this important debate. He may be surprised to hear that I am in considerable agreement with him on certain areas. I wish to clear up a number of his questions about the surveys. In an intervention on the hon. Gentleman, I alluded to the Ipsos MORI survey. There is something slightly ironic about claiming that we refused to publish it because of its content, given that the previous Government failed to publish similar surveys in 2007, 2008, 2009 and 2010. To say that they did not publish it because the Opposition did not table parliamentary questions asking for it to be published shows breathtaking gall.

The fact is that we published the March 2010 survey following a written answer in December from the Minister of State, Department of Health, my hon. Friend the Member for Sutton and Cheam (Paul Burstow), who is responsible for social care. It was placed in the Library, but it was not placed on the Department of Health website, for which I offer an apology. Some Members referred to the comments of my right hon. Friend the Secretary of State. Those statements were made in good faith but he was given the wrong advice. That is unfortunate, but he made that statement some three months after the results of the survey had been published.

The hon. Member for Leyton and Wanstead asked whether we will continue with the survey. I can tell him that a further survey has been done. It has not been completed, in so far as it has not yet been given to the Department, but that will happen in due course. What happens in future remains to be seen, as no decision has been taken on future exercises. The hon. Gentleman also mentioned the general life-style survey. Again, no decision has been taken. In light of that information, it is incorrect to say that we will not allow it to proceed.

[Mr Simon Burns]

On the question of the British social attitudes survey, things are a little more complex. The hon. Gentleman will be aware that the Department of Health is not the only Department involved; it is a cross-Government survey, and the Department of Health has some interest in it, but not exclusively so. Again, that is being considered, so I cannot give a definitive answer as to what will happen.

Many hon. Members, including the hon. Member for Leyton and Wanstead, pointed out that the last survey published by Ipsos MORI said that public satisfaction with the NHS was relatively high. That is self-evident, and I suspect that all hon. Members, as constituency MPs, will be aware of that from their constituents, their correspondence and just talking to people. As we heard, the most recent research puts overall satisfaction rates at 72%.

If we were discussing the future of any other public service, perhaps the debate would end there. However, we are not here today to discuss other public services, such as local bus services or rubbish collections, vital as they are. We are here to discuss the national health service, which for the public is literally a matter of life and death, and they have a high regard for it. People expect the NHS to be there when they are at their most vulnerable, or when their family members are in greatest need.

One cannot quantify what the NHS means to the people of this country with a smattering of national statistics, however comforting they might seem. The public have never been over-inclined to set great store by the pronouncements of politicians about the brilliance of the NHS, however familiar such pronouncements might be. However, people do not live their lives through the monochrome of MORI's painstaking statistical analyses. They do not judge the NHS on the numbers. They judge the NHS on their experience of it; it is the NHS staff that they meet, and what they say and do, that ultimately informs their opinion.

The fact that satisfaction rates are relatively high is without doubt a tribute to the fact that those staff treat thousands of patients every day. I am sure that Members on both sides of the Chamber are united in their admiration for the work of staff across the board, and we should congratulate them on doing it day in, day out, when looking after our constituents, ourselves and our families. They do a fantastic job. We should never forget that we owe them a debt of honour and gratitude.

Mr Anderson: Will the Minister give way?

Mr Burns: No. If the hon. Gentleman will forgive me, I do not have much time.

We should not kid ourselves that that is the whole story. Although some may be only too content with the fact that three quarters of people are happy with the NHS, I am not. High levels of public satisfaction are a genuine compliment to the work of NHS staff, but they do not undermine the case for modernisation or imply that the NHS is perfect or should never change. There is plenty of room for improvement, building on the high satisfaction rates that we already enjoy, as shown by the various surveys mentioned today.

The House will know that although the money going into the NHS has dramatically increased over the last decade, which I welcome, productivity has not. In fact, it has fallen by 0.2% every year since 1997. In hospitals, it has fallen further—by 1.4% a year between 1997 and 2008. However, such statistics can sound quite abstract. We should think about what they actually mean for patients.

Some of the targets and incentives in the current system are simply perverse; far from promoting good-quality care, they encourage poor care. Take maternity services. With antenatal care, the more visits or scans providers can record, the more they are paid. It is in the financial interests of the hospital to provide care on a purely reactive basis, dealing with problems as they arise, rather than preventing them from happening.

The result is poorer health outcomes for the mother and child and a bigger bill for the taxpayer. No midwife or doctor would ever organise the system in such a way. No doctor or nurse working in acute care would design a system in which a hospital would be paid for a mistake rather than be penalised for it. For example, would they pay if a patient were discharged from hospital only to be bounced back into A and E a week or so later because they were not properly treated? No health professional would choose to work in an environment in which they and their colleagues are rewarded not for how well they treat patients, but for how well they process them through the health system.

Hon. Members claim that there is no rationale for our reforms, but they are wrong. I do not claim that the NHS is failing; there is much that is good about it, and much of what it does is internationally acclaimed. None the less, if hon. Members were honest they would accept that there is room for improvement, as was shown by the Ipsos MORI poll.

I do not think that it is right that pensioners over the age of 75 in the primary care trust that serves the constituency of the hon. Member for Leyton and Wanstead are almost twice as likely to be admitted to hospital in an emergency than those over the age of 75 in Devon or Cornwall. I do not think that it is right that, in some parts of the country, people are more than five times more likely to die of heart disease.

In its current form, the NHS cannot hope to cope with the rising demand from our ageing population and the relentless rise in the cost of drugs and treatment. Our health system is no longer battling with infectious disease. The typical patient is not a young man with TB or polio, as it might have been in the 1940s, but someone who is over 75 with probably two, if not more, long-term conditions and social care needs, too. It is a very different problem that requires a very different kind of health service.

Even more importantly, as a nation, we should be aspiring to be as healthy and to live as long as our European neighbours. A recent OECD report found that, if the NHS were to perform as well as the best-performing health systems, we could increase life expectancy by three years. The argument for change could not be clearer.

The ultimate objective of modernisation is to ensure that the quality of care that people receive is on a par with the best available anywhere in the world. To do

that, we need to make fundamental changes to the NHS. For example, we need to ensure that it is the GP and not a manager or civil servant in Whitehall who determines the needs and requirements of their patients. A radical extension of patient choice would allow patients to choose not only where they are treated, but which consultant-led team will treat them. Patients could choose their GP and even, where appropriate, their treatment.

There should be greater accountability and transparency in the NHS to give patients the information that they need to make choices and to drive up quality. As the Society for Cardiothoracic Surgery said only last week, publicly reporting on the performance of hospitals and surgeons treating patients with heart disease can improve mortality rates by 50%.

There should also be more independence and freedom for clinicians, so that if local health and social care professionals think that they can deliver better services to support stroke patients, they can set up a social enterprise that will do that. We will give genuine freedom to foundation trusts, so that they can strive to provide the best possible outcomes for patients.

In conclusion, there have been a lot of disingenuous statements about privatisation of the health service and the quality of care. If hon. Members are prepared to listen, I will assure them that we have no intention of privatising the health service. We just want to improve patient care.

Foreign Fishermen (Visas)

4.14 pm

Jim Shannon (Strangford) (DUP): This issue is important to my constituency and many other constituencies across the United Kingdom. Along with being in the armed forces, commercial sea fishing represents the most dangerous occupation in the United Kingdom—a fact that would be confirmed by our fishermen and those who represent them. The programme “Deadliest Catch” and the film “The Perfect Storm” illustrate very clearly the issues that fishermen face each and every day.

A combination of increasing regulatory burdens and decreasing financial returns, compounded by the antisocial nature of the job, has led to local UK share fishermen drifting away from the occupation. Although there is a method in place to address the problems, we need some help moving things along, which is why I sought this debate. Although the drifting away is not a universal trend within the industry, the larger part of the fleet, comprising those trawlers targeting certain species such as cod, haddock, whiting and nephrops, has been particularly vulnerable to the trend for the past decade and more.

The take-home wage is a key concern of the fishermen. It does not always reflect the nature of the work, which has been brought into our homes by the TV series “Trawlermen”. Figures from the Sea Fish Industry Authority’s regular economic surveys of the fleet show that the average gross annual wage for a Northern Ireland-based share fisherman works out at approximately £15,000, less their tax and stamp. Other hon. Members will speak on behalf of their areas, but I suspect that the wage will be similar. Given the salaries available in other sectors, it is no wonder that many share fishermen have chosen to leave the industry.

There is a perception that share fishermen are mainly unskilled or unqualified workers, but that is not the case. Regrettably, fishermen’s skills and the qualifications that they are required by law to possess go largely unrecognised outside the fishing sector. The sea fishing industry has changed dramatically over the past few years to become a multi-million-pound industry. Skippers and their crews work on modern, sophisticated vessels and are expected to be highly skilled technicians who are able to act as efficient harvesters of the seas and to operate a range of electronic instruments for safe navigation and for finding fish. Gone are the days of throwing a net over the side of a boat to catch fish; it is much more sophisticated now.

Share fishermen in the UK are self-employed, so they have the option of looking for alternative employment in either the marine or onshore sectors. Trawler owners, on the other hand, still have a business to manage and bank loans to repay. They have a choice. Of course they will pursue every opportunity available to them to enhance the value of their catch or reduce their overheads so that the profit and consequently the crew share can be maximised. I can cite several examples from my constituency of Strangford where trawler owners are working collectively to bulk-purchase fuel and promote the local consumption of their catch. They are doing everything practically and physically possible to improve their profit margins. Despite taking such actions, crewing problems persist. Consequently, trawler owners are forced to look for alternative crewing arrangements.

[Jim Shannon]

The European Union and its common fisheries policy possess few positive aspects for our fishing fleet. One such aspect has been to increase the labour pool. With the expansion of the EU eastwards, many citizens of the independent Baltic states have found their way to the periphery of the Union and have been able to secure positions as crew members on board UK-based trawlers. Many of the new recruits to the UK's fishing industry had previous fishing industry and merchant navy experience. However, they lacked the recognised qualifications required by the Maritime and Coastguard Agency. That obstacle, compounded by language difficulties, was largely overcome. None the less, significant investment was required on the part of the trawler owners, as interpreters were drafted in to assist tutors in delivering the courses that resulted in the mandatory qualifications.

Let me set out where we are, and then I will outline how we can move forward.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): The hon. Gentleman has laid out very well the situation of the share fishermen. People come in from other countries to do the work of a share fisherman, and there are many jobs onshore that are dependent on their work. Barratantic in my constituency has told me that if it loses its three overseas fishermen, it will have to lay off members of staff at its fish factory, because fewer fish will be landed. That underlines how important it is that we manage to keep those skilled men working on our boats in Scotland and Northern Ireland.

Jim Shannon: I thank the hon. Gentleman for his intervention. The wonderful thing about being an MP—apart from the privilege of being here—is that the issues that are prevalent in the area that I represent are the same as those in Scotland, England and Wales. They are not specific to my constituency alone, which is why we need the help of Westminster, the Government and the Minister.

Despite the difficulties, the first wave of immigrant fishermen addressed many of the crewing problems. However, the economic factors, which are well known to many of us across the UK, meant that many of the immigrants began to return home. UK trawler owners almost found themselves in chapter two of the crewing crisis, and that is where we are today. Consequently, trawler owners and their agents began to look further afield. In 2006, the first Filipino fishermen began to appear in fishing communities around the UK, and particularly in Scotland. The trend started in Scotland and then made its way across the rest of the UK, to England and Northern Ireland.

Filipino fishermen are different from their UK colleagues, in that they tend to be employed. In addition, as the Philippines, like the UK, is surrounded by sea, all the new recruits who came over to the UK tended to have seagoing experience, and indeed fishing experience, with qualifications that on the most part were recognised by the UK, including by the MCA. Furthermore, as I have heard for myself, their knowledge of the English language is impressive. I have spoken to some of these Filipino fishermen in the port of Portavogie, and I must say that they are very clear in what they are telling me.

The first Filipino fishermen arrived in Northern Ireland in 2007 and their numbers in the three ports along the County Down coast increased quickly. They filled, and continue to fill, an important void in trawler crews at a critical time for the industry. Access to the UK was achieved through transit visas, an important condition of which is the requirement that the vessel to which they are attached spend the majority of its fishing time outside UK territorial waters. In fact, these fishermen were not permitted to live on shore. That was probably quite a strict condition, but they none the less tried to keep to it.

As I have mentioned, the primary difference between the Filipino fishermen and other immigrant fishermen from outside the European economic area on the one hand, and UK share fishermen on the other, is that the former group are employed. As such, they have a contract of employment with the trawler owners, and those contracts carry with them obligations for the owners—obligations to do with pay, insurance cover and travel costs. The take-home pay of a British share fisherman varies from trawler to trawler and from week to week, depending on the weather and the danger that they face. Their pay is based on a share of the trawlerman's profits. If a trawler makes no profit, then the crewmen get no salary, so it is clear that the Filipino fisherman has an advantage that the share fisherman does not. Employed crew members' contracts stipulate a minimum weekly wage, and bonuses are then paid, which differ from trawler to trawler. Overall, however, when all the costs are accumulated, the share of the profit and the salary paid to any crew member are very similar.

However, a big difference is the fact that, from the outset, the transit visa required non-EEA fishermen to live on board the trawlers. Although their living conditions are no different from those of UK fishermen, the non-EEA fishermen do not get a break from those conditions during their contracts, which can last for several months.

In many of the ports where the Royal National Mission to Deep Sea Fishermen has a presence, immigrant fishermen have availed themselves of the mission's facilities. Indeed, in some ports, such as Troon and Kilkeel, the mission opened mini-centres to provide rest and relaxation facilities for visiting UK fishermen and immigrant fishermen alike. As always, the mission needs to be commended for the Christian service that it provides, and the Christian witness that it bears to fishermen all over the UK. I pay tribute to it.

Unfortunately, there have been occasions when owners have been accused of abusing crew members. I will put this on record: some crew members have made certain claims. However, I met Filipino fishermen no more than a month ago in Portavogie and spoke to them, basically through an interpreter. I know that some people in this Chamber have difficulty following my accent, so I suspect that the Filipinos in Portavogie probably had even more difficulty. Fortunately, however, we had a translator, and I was able to convey to them that I would be bringing this matter to the House within a short time.

Mr MacNeil: As somebody else who causes some difficulties for *Hansard*—I am quite proud of that fact—I would like to back up what the hon. Gentleman is saying and talk about another aspect of the issue. In my experience, fishermen who have lost a man because he has returned to the Philippines have not sought to

replace him with another Filipino. They have been quite specific in wanting to get the man who they have got to know to come back and work with them. That shows the building of personal relationships, and indeed friendships of a certain kind, between men when they are out fishing together. I find that quite heartening, and it is quite the opposite of some of the scare stories. That has been my experience in this field.

Jim Shannon: I thank the hon. Gentleman again for his contribution. There is a very strong bond of friendship, loyalty, togetherness and comradeship that comes from being together on a small boat. I do not know if other Members have ever had the chance to get out on a fishing boat. If they have not, they should take the opportunity to go out in one. They would see the small section of the boat that the fishermen sleep in. If they were not claustrophobic before, they certainly would be afterwards, because it is almost incredibly small.

Whenever I have met the Filipino fishermen in Portavogie, an area that I represent back home, I have seen their commitment. When they were wanted at 4 am down in the harbour, they were there. In fact, they were there perhaps half an hour before they were going out on the boats. They were always on time and they worked hard all day. That is how they did things. As the hon. Gentleman has said very clearly, the Filipino fishermen have a strong commitment to work.

Mr Alan Reid (Argyll and Bute) (LD): I congratulate the hon. Gentleman on securing this important debate. To back up what he has just said, one fishing boat skipper told me that if he goes to sleep at night, he wants to be sure that the person at the wheel is somebody in whom he has complete trust. The bond and the trust that are built up over a number of years are very important, and that is why there is a desire to retain these employees.

Jim Shannon: I thank the hon. Gentleman for his intervention, which highlights the fact that, right across the UK, the same issues apply to us all. It also highlights our knowledge as elected representatives of immigrant fishermen, and Filipino fishermen in particular, and the need to have them retained in the fishing industry in the areas that we represent.

Mr MacNeil: The hon. Gentleman has been very kind in giving way and sharing his time. One of the difficulties that the people and the companies that want these men to return have raised with me is the cost involved. There are legal fees of £1,250 plus VAT; there are the Home Office fees of £1,000; and there is a further fee of £170 for every sponsor's certificate issued. Does the hon. Gentleman feel that, especially at this time, those are costs that businesses should not really be facing on an almost continual or cyclical basis? Perhaps the Migration Advisory Council should seek to reclassify these fishermen and put them into the specialisms that they are quite clearly and patently qualified for.

Jim Shannon: I wholeheartedly agree with the hon. Gentleman about the costs involved. Those costs seem to increase every year, and continuously throughout the year. I am also concerned about them.

Filipino fishermen have had Filipino consular staff down to see them and speak to them about the matters that affect them. I have discussed the issue of the Filipino fishermen with the UK Border Agency on two occasions, and I had occasion to table a question for the Minister for Immigration on the subject just last year. These are important matters for us as representatives of the fishing industry, but I must say that they are even more important for the Filipino fishermen and the trawler skippers for whom they work.

During 2008 and 2009, there were extensive consultations between the UK Border Agency, industrial representatives and others. The UK Border Agency became aware of just how valuable both the non-UK fishermen and the non-EEA fishermen were to the continued safe operation of the fishing industry. That point about safety backs up the points that the hon. Members for Na h-Eileanan an Iar (Mr MacNeil), and for Argyll and Bute (Mr Reid), have made about the safe operation of boats. Whenever the skipper goes to sleep at night, he wants to be sure that the person in charge of the boat knows what they are doing. That is exactly the issue that we are discussing.

The transit visas that I mentioned were due to last some 18 months, expiring in September 2011. That is why we are having this debate in Westminster Hall today. Perhaps we can get an extension to those visas, or some concession or help from the Minister's Department.

Mr MacNeil: The hon. Gentleman has made a very good point about safety. Earlier, I talked about people getting to know each other and forming a bond. I have been told that one of the reasons why the trawler owners do not want just anybody is that it takes a person time to get used to each individual boat and to know exactly where certain ropes, anchors, grappling hooks and other pieces of equipment are, or where the hauler is controlled, on each individual boat. That is a genuine reason for keeping a man who has experience of a particular boat on that boat, rather than just seeking anybody. I have had fishing employers come to me to ensure that an individual who is skilled and trained on their boat remains on their boat. I wonder if the hon. Gentleman finds exactly the same thing in his area.

Jim Shannon: The area that I represent is exactly the same. The knowledge that is earned on one boat is perhaps slightly different to the knowledge earned on another. It takes time to get used to a boat. I mentioned that earlier, when I said that today's fisherman has so much more to learn than his predecessors of 10, 15 or 20 years ago.

Mr Reid: I am grateful to the hon. Gentleman for being so generous in giving way. I want to back up the point that he made. This is a highly skilled job, and it should be put on the list of occupations for which employers should be able to get work permits, as long as employers can demonstrate that they have made every effort to recruit fishermen from within the EU. In those circumstances, they should be allowed to obtain visas, particularly to retain the staff whom they already have and in whom they have trust and confidence.

Jim Shannon: I thank the hon. Gentleman for making that point, because it is the crux of the issue, and of our requests to the Minister and the Department.

[Jim Shannon]

Of the 1,500 visas that were allocated, only 70 were taken up. That might prompt the question, "If only 70 people took them up, do we really need them?" but the fact is we do. It was not that the interest was not there. The key experience and skills of the people involved is very important, and those who were able to fill the void before the Filipino fishermen came have now, by and large, gone back to eastern Europe. There have been, and still are, experienced and qualified fishermen working on the trawlers, and the issue today is that fishermen and employers do not want to lose that expertise come September 2011, which is what they say will happen.

Mr MacNeil: On a point of information, the period when only 70 applications were taken up was before the last election, when the hon. Gentleman was not in the House. I can remember it clearly, and people came to see me on the subject. The problems were those of bureaucracy, often in Manila. What with the employment agencies and the visa-issuing authorities in Manila, it was difficult to get people out and across. Had it not been for those bureaucratic hurdles, a lot more than 70 people would have arrived.

Jim Shannon: I thank the hon. Gentleman for that clarification. Yes, that was before my time. He is absolutely right that there was a pervasive level of bureaucracy that prevented people from applying.

I am conscious of the time, and intend to bring my speech to a conclusion. It remains the case that most people signing on for the dole are dissuaded from seeking a job in the commercial fishing fleet because of the long hours, the low wages, the uncertainties of the weather and the dangers of the job. There is also the question of the investment that trawler owners need to make to train fishermen who might then choose not to stay in the job. Consequently, there is a need for non-EEA or immigrant workers to fill the gaps in onshore occupations, and a clear need for us to retain the fishermen, particularly the Filipinos.

The Migration Advisory Committee recently launched a consultation to update its shortage occupation list, and I encourage the UK fishing industry's representatives to make representations as part of that process. That would, in basic terms, entail the monetary reward that is available to share fishermen reflecting the sacrifices they make and the skills they have. We need a long-term solution to the crewing problems that the fishing fleets face, and I encourage the UK Border Agency, together with the other agencies involved, to instigate discussions with fishing industry representatives soon. I also call on the Home Office and the UK Border Agency to review the situation regarding the temporary visas that they issued early last year. I am aware that the non-EEA fishermen to whom the visas were issued, together with the trawler owners who employ them, have acted responsibly and sensibly, and I suggest that that could and should be reflected in an extension to the September 2011 expiry date.

In Northern Ireland, as in the rest of the UK, commercial sea fishing is a valuable industry, often based in remote coastal communities. It employs highly qualified technicians, whose skill, and indeed bravery and courage, in harvesting

the seas around our islands must be acknowledged. Many of our fishermen's management responsibilities have been mistakenly surrendered to the EU, but that is a different debate for a different day. Assisting with employment in the sector is, I suggest, a small but very important way in which the House can help the industry.

4.33 pm

The Parliamentary Under-Secretary of State for the Home Department (Lynne Featherstone): It is a pleasure to be before you this afternoon, Mr Bayley. I congratulate the hon. Member for Strangford (Jim Shannon) on securing the debate, and on drawing our attention to what is a very important issue in an industry that is very important to the nations represented by Members at the other end of this room. I know that he has tabled many questions, had many meetings, and has an honourable track record in raising the issue of staff who work on these boats, and in presenting the problems that he has encountered.

The fishing industry has had to face many challenges over the years, and those challenges will continue. Non-EEA ship crews travelling to UK ports to join vessels sailing into international waters do not fall within the normal immigration rules. They enter on "to join ship" visas, which allow fresh crews to arrive in the UK and leave on the ship. As many international-going vessels may leave port with no stated destination, awaiting orders to pick up new cargo, "leaving the UK" is defined as sailing beyond the 12-mile territorial limit, and that has been exploited by the fishing industry.

In some instances such exploitation has been permissible when the vessels involved are those that traditionally fish outside the limit—the deep sea fleet. However, inshore fleet vessel owners, who fish within the 12-mile limit, have wrongly taken advantage of the loophole to illegally employ the same cheap foreign labour as their deep sea fleet counterparts, resulting in many of the 1,000 to 1,500 non-EEA fishermen in the UK fishing fleets being employed illegally on very low wages and accommodated in unacceptable conditions while in port. That led to the tragic death of two Filipinos and one Latvian in a fire on a fishing boat in 2008. Although it is right to highlight the pressures on owners in finding crews to operate their vessels, it is simply not acceptable for there to be a race to the bottom, in terms of pay and conditions for those working in the industry.

The previous Government introduced a concession to address the situation with the inshore fleet, agreeing to a quota of up to 1,500 non-renewable fisher visas, to allow the industry time to adjust. There was an 18-month period, which comes to an end in September. Visas were issued on the condition that non-EEA fishermen were paid the minimum wage, and suitable onshore accommodation was provided while they were in port. As has been mentioned, fewer than 70 applications were received before the concession closed, and I note what the hon. Member for Na h-Eileanan an Iar (Mr MacNeil) said about that being due to bureaucracy in the country of origin.

Both Her Majesty's Government and the Northern Ireland Assembly Government are clear that people who come from overseas to work within UK territorial waters must enjoy the protections of the national minimum wage, and safe and proper accommodation.

The minimum level of pay for skilled workers is £20,000. The minimum wage is circa £13,000. From what has been said, the industry believes that £13,000 is too high. In terms of having a certain standard of living and proper accommodation, the view of the Philippines Government in respect—

Mr MacNeil: I do not think that anyone is saying that it is too high. What we are saying is that there are a number of jobs on land that depend on these people. I know of some men in the Philippines who have been almost in tears on the phone saying that they cannot go back to Scotland because they missed the date on the paperwork. They have lost quite a lot of money. They have been saving up and sending money to their families. They have missed an opportunity. It is a double hit for individual human beings: the people who work ashore in processing factories when product is not landed, and the individuals in the Philippines who are not getting the standard of employment that they might otherwise get.

Lynne Featherstone: I hear what the hon. Gentleman says, and I also heard the hon. Member for Strangford praise the work and the ability of the Filipino workers. I understand that, but it has been said that, were it not for the concession, applications would be made under tier 3 of the points-based system for non-skilled workers. There are high unemployment levels in those areas, and the hope and expectation was that, during the 18-month concession period, work would be done to encourage—

Mr MacNeil rose—

Lynne Featherstone: Time is short, and I need to make a bit of progress in addressing some of the points raised.

The hon. Member for Strangford raised the issue of the Home Office fees being set at £1,000. The Home Office visa fees were £470, and the legal fees were a decision for the owners themselves. Holders of concessionary visas are not required to sleep onboard the fishing boats, and should be accommodated safely onshore. The concessionary visas would not be allowed under the points-based system. As I said, they fall under tier 3 for non-skilled workers, which is now closed as a point of entry due to the situation in the local area. The Migration Advisory Committee determines the levels and advises Her Majesty's Government. If there are skills arguments to be made, as hon. Members know, they must be made to the committee, as fishing and skills are devolved to Northern Ireland and Scotland. One key issue is that unemployment remains high across the United Kingdom and in fishing communities. It is for the industry, not Government, to work with the devolved Administrations to increase local engagement in the industry.

Mr MacNeil: Those arguments were outlined by the Minister for Immigration in the previous Government. However, on reflection, he saw that the numbers were

small and that the potential loss of employment onshore was great, so he reconsidered and introduced the 18-month intermediate scheme. I make a plea to the Minister to understand that the situation is, unfortunately, still with us. If we lose those men, unemployment on land will increase. As the Member of Parliament for Na h-Eileanan an Iar, the outer Hebrides, I know that it will happen. That is why I make the plea to her to reflect as much, and have as much understanding as the previous Minister for Immigration, who certainly surprised me by changing his opinion remarkably quickly to be practical and sensible. I praise him for that, as I did at the time.

Lynne Featherstone: I give way to the hon. Member for Strangford.

Jim Shannon: I am conscious of the time. What we have is a skilled work force. We need a concession for them, and we are asking the Minister to use her position within the Department to ensure that we get it. People have tried hard to get workers to take those places. It has not worked, but we have a skilled work force. There is a spin-off onshore. If we do not catch fish at sea, we cannot do further processing on land, and that is what leads to job losses.

Lynne Featherstone: In my understanding, the reason that that is not possible is that the work force are designated as non-skilled. I understand what the hon. Gentleman says about the skill of the Filipinos, who are seafaring folk and understand the business, but in terms of the normal visa applications, they would be made under tier 3. The reason that people do not want to do the job is that it is cold, wet and nasty and does not pay brilliantly, not that they cannot learn the skills needed. I assure hon. Members that I am listening to their passionate pleas. I am not standing here like a stone wall; I hear the case being made. Nevertheless, I must push back a bit because of the levels of unemployment in those areas and because there has been the need for a concession.

The UK Border Agency is considering ways to ensure that all UK-based crew, including those whose journeys take them beyond the 12-mile territorial limit but not to foreign ports on a routine basis, will be properly paid and accommodated. Tier 3 of the points-based system for low-skilled labour remains closed, however. As I said, the case for changing that must be made to the Migration Advisory Committee. It is important that that case is made, as the Government can go only so far.

I recognise that the requirements of the concession may have created anomalies between the levels of payment of different fishing fleets and contracted foreign fishing workers working on the same vessels. Foreign fishers have a defined income, as was described, and certainty about income for the period of their contracts, which was obviously a difficulty, but that is coming to an end. The Government's job—

Hugh Bayley (in the Chair): Order. We must move on to the next debate.

Motor Sport (Public Highways)

4.44 pm

Mr Ben Wallace (Wyre and Preston North) (Con): I am delighted to see you in the Chair, Mr Bayley. British motor sport is Britain's great sport success story. We often hear much about football and other sports, but British motor sport undoubtedly leads the world. One need only look at the first round of this year's Formula 1 championship to see that although a German driver crossed the finish line in the fastest car, the car was managed, designed and built in Britain, and the team was based here. Eight out of 12 Formula 1 teams are British, as are most F1 drivers and designers. Even some of the lead designers for Ferrari, the bastion of Italian motor sport, are more often than not British.

Our great teams—Williams, McLaren and now Red Bull—have proved on the world stage not only to be forerunners of new technologies and innovators in motoring but developers of British talent. Other companies such as M-Sport and Prodrive support not only Formula 1 but rallies and many other types of sporting activity on the road. Britain is and has been a world leader in motor sport, and I hope that it will continue to be one.

Motor sport is often left behind in the great sports debate. The first few sports pages of our newspapers are often taken up by football, even when the teams are full of overseas players, managed by overseas managers, owned by overseas owners and, often, languishing in the bottom of divisions after millions of pounds spent. I hope that the Government will consider my proposal to help motor sport build on its success and go forward.

We should not forget that 95% of most motor sport is amateur and consists of people participating. It is not just about the glamour and glitz of F1 or world rallying; it is about normal rallying, hill climbing, classic cars, trailing and historical cars. Anyone who lives near or visits a motor race circuit will see that sports go on there all year round, from karting to high-performance sports. Hundreds of thousands of people enjoy motor sport in Britain.

The governing body of motor sport is the Motor Sports Association, the successor to RAC MSA. It has 200,000 members and 750 affiliated motor clubs, and every year it hosts 4,500 events. The industry that feeds into that motor sport has an amazing record, with a turnover of £6 billion a year, only £2.6 billion of which is exported. Some 4,500 companies support the sport. The research and development spend—the spend for the future that trains tomorrow's engineers and scientists—is 30% of turnover. The aerospace industry, from which I come, would be proud of such a figure, and we should do more to encourage that.

The industries on the back of motor sport—public relations, marketing, sports industry, event management—employ 38,000 people, create another £1.7 billion in turnover and involve 25,000 engineers. That is an incredible asset for this country. Some of those engineers come from my constituency, having gone to Myerscough college, which has its own team and trains young men and women to support motor teams. Some of them have gone on to work in the top flight of world motor sport.

What is wrong with motor sport? Nothing, except that we could do more for it. We could do more to allow events to take place. The problem in England and Wales

is that if we want more events, and more diverse events, to take place, we cannot use the roads and highways in the same way as the Isle of Man or Northern Ireland. To do so would mean suspending numerous provisions of the Road Traffic Act 1988. We have a midway point. Something called a traffic regulation order allows access to a road to be suspended, but the provisions of the Highways Acts still apply. Drivers must still average 30 mph on the area of road closed to the public, and rights of way still exist, meaning that unless a uniformed police officer is there to prevent Mr and Mrs Smith from carrying on their business, no one is empowered to prevent them from using it.

That is why we cannot have a Grand Prix in London or a circuit around Birmingham, although other countries can. We should do something about it. That is also why, when Birmingham did have an event, sponsored by the noble Lord Rooker, it took an Act of Parliament to suspend some of the relevant provisions. Amending the 1998 Act or building on a traffic regulation order would fit with the Government's agenda of empowering local authorities, encouraging tourism and events and putting people in charge of their communities. Perhaps we should look at something along the lines of a traffic suspension order or something that devolves the powers to a local authority.

I am not here to ask that motor sport be allowed to impose itself on communities that do not want it or that the Government give power to an unelected governing body to decide that it wants motor sport when the local community does not. I am here to ask the Government to devolve power to local authorities, so that they can decide whether they want to host an event. That could be in Brecon, north Lancashire, where I am, or north Yorkshire—anywhere they want a rally. It is about places with rarely used lanes and roads, which desperately need inward investment, tourism or to kick-start the season, perhaps, at unfashionable times of the year. Let us empower our local authorities to do that.

I hope that local authorities will realise that they are not on their own. The governing body, the MSA, issues licences for events. In motor sport, one cannot have a race without a licence from the governing body. Along with that licence comes liability cover and all the protection from being sued or from worry about not being experts in the field that my constituents and the local authority would need. I want the Government to empower local authorities to seek events when they want to and to be able to suspend aspects of the 1988 Act, but to do so in conjunction with the people who know about motor sport. I want them to be guided and provided with liability cover, so that we can, perhaps, reap the benefits.

A change would apply not only to motor sport, but to cycling. It is bizarre that some stages of the Tour de France could not happen here if the bikes averaged more than 30 miles an hour. One might deliberately create a race on a road and that in itself could break the current highways law. Therefore, a change is also about empowering local authorities to give cycling events a proper go and getting Britain to the forefront of that sport. We need only go out on a Sunday to realise how big cycling has become. I took a Boris bike out for the first time yesterday, which is the closest I get to it, but I could not find a rack when I got to the other end, so it was a bit of disaster—I digress.

We should seek a change. It is easy and the benefits are clear. On tourism, as we can see with the Jim Clark rally in Scotland and motor sport all over the country, if we bring thousands of tourists into parts of the country that do not normally get them, it is a great thing. On the spend, Lancashire has a great link to the Isle of Man and the tourist trophy—TT—race. Every summer thousands of people pour over to the Isle of Man to see that great, historic race, and they help that island with its tourism very much. We could really benefit from that.

On promoting motor sport, we have to keep recruiting the engineers and drivers of the future. We have to remind people that motor sport is not only about Formula 1, but about local teams, local rallying and local engineering. It reminds people what can be done with engineering. People do not just have to build bridges, but can invent some of the very best in motor sport, materials and so on. It is also about community involvement, such as marshalling, and people getting involved in their area and taking part in a great event. We should not forget the circus coming to town. It is a great unifier in parts of the country.

I understand that people have sought this power since 1928. If the Government support them, and I hope they will, it will have been a long time coming. The previous Labour Government were supportive and never objected in any of my discussions with Labour Ministers, but we have not finally done the deed. I hope that we will. The First Minister of Scotland has spoken up in support of the change—no doubt eyeing the potential opportunities for the forests in Aberdeenshire and the Western Isles. We cannot take current venues for granted. Forestry Commission charges have a prohibitive effect on some rallying. The British leg of the world rally series is under threat due to some very prohibitive charges. We need to ensure that we are always able to offer alternatives.

I hope that the Minister gives us some good news and realises that the House has been supportive of a change, so it has cross-party support. It is a simple issue and would require bureaucratic measures. It is not a great ideological argument about policy and it is not about imposing our will on different communities. It is about giving power to local authorities, where it suits them, to engage with a successful British sport, promote it and allow all those followers of motor sport and cycling up and down the country to finally get out and race. If they cannot afford a Formula 1 car, they can still get out and race.

Let us not forget education. We can teach young men and women to drive responsibly and learn to drive high-speed performance cars, while teaching them that there is a time for racing and a time for driving on a normal road. That will have a lot of benefits. Perhaps we can divert some of the boy racers away from racing though my village at 2 am and away from tragic accidents, and encourage them to get involved in a motor sport that perhaps becomes more affordable and accessible to a lot of them. They could all play a part in it.

I look forward to the Minister's response. I have spoken to him in the past about a change, and the Government have been supportive. It would fit with our localism agenda, the big society and with rewarding one of Britain's great sports and industries.

4.56 pm

The Parliamentary Under-Secretary of State for Transport (Mike Penning): I believe that this is the first time I have served under your chairmanship, Mr Bayley, since I became a Minister of the Crown, and it is a pleasure to do so this afternoon. I congratulate my hon. Friend and former colleague from the Household Division, the Member for Wear and Preston. I am disappointed that he is not wearing his regimental tie today. *[Interruption.]* I am sorry, I am not used to his new constituency name. I congratulate my hon. Friend the Member for Wyre and Preston North (Mr Wallace) on securing the debate and on the lobbying he has done for several months on behalf of the industry and his constituents. I hope that I have come to the debate with good news on how we can progress an issue from 1928 into legislation as soon as possible. We can tinker around the edges, but this will require primary legislation.

I would like to touch on the background. My hon. Friend is right to say that motor sport in this country has a proud history. At a recent event, which my hon. Friend attended, I had the honour and privilege to sit next to Nigel Mansell. He is a great hero in our country, who people look up to and aspire to be like. We saw what can be done in the grand prix this weekend. I was proud to be listening to the commentary of a constituent of mine, Anthony Davidson, the former driver. He is still racing, but not in Formula 1 now. It was good to hear him on the radio.

As my hon. Friend said, looking at the history, it is not only about winning, but about the teams that put together the technology and about where that technology is often applied after its use in Formula 1 and the other types of racing around the world. We talked about disc brakes and the anti-lock braking system, both of which come from Formula 1, and were not used in modern vehicles before that. The many safety features that have stemmed from Formula 1 have led to this country having the safest roads in the world.

I am very proud to be the Minister responsible for road safety, as well as for motor sport, and to be able to say in 2011 that we have the safest roads in the world. We will not be complacent, but will continue to drive down the number of deaths and serious injuries on our roads, because 2,222 deaths, by the last count, are too many. At the same time, I am proud to represent this country at road safety meetings I attend around the world, where often people want to know how they can achieve the same safety record. They look up to our record, some of which is due to the excellent education work we have done over the years on drink-driving and the wearing of seatbelts—we need to work on drug-driving—but a huge amount of it is down to technology. Many of the safety features in the vehicles we drive on the roads today come from racing and the investment made in research and development by the great manufacturers of this country. That is particularly true of cars, but also of motor cycles, for which, sadly, the safety trends are going in the wrong direction.

My hon. Friend is right to touch on the fact that this is a deregulation issue. I am also Minister responsible for deregulation for the Department for Transport, as well as being the shipping Minister, the devolution Minister, the roads Minister and the roads safety Minister—I could go on. We are trying to empower local communities, not just councils, so that they can

[Mike Penning]

say to their council, "Look, we would like to have some sort of event in our patch next year or next week." It is not all about having Formula 1. That event took place in Birmingham and it had to go through a complicated process, because every time such an event is proposed, an Act of Parliament has to be passed to allow it to proceed. That may have been right and proper in 1928—although I doubt it—but it certainly is not right in 2011.

Let us consider some of the events that could take place. My hon. Friend the Member for Wyre and Preston North talked about rallying as well as cars and Formula 1. When one of my constituents heard that I was responding to this debate, they reminded me that they want to have kart racing in my constituency on an empty industrial estate that has very little traffic at the weekend. We are world leaders in karting—in fact, this year's runner-up in the British karting championship lives in my constituency. We can also consider other things, such as rallying.

I will speak to my colleagues in other Departments about why we have so much difficulty with regards state ownership—as is the case with the Forestry Commission, before it moves into whatever its future capacity will be in terms of charitable status. State ownership is impairing investment and competition in the UK. The MSA is not proposing that our streets are closed down every weekend in every town, but we have to make sure that there is confidence out there that that will not happen. We are world leaders in motor sports and in cycling. Indeed, the cycling world championships have just taken place. We might not have done as well at those as we did in the Olympics, but I am sure we will do well in 2012.

We should not create a bureaucratic hold-up for such things; instead, we need to ask how we can empower local communities to go forward. With that in mind, I am today announcing a public consultation on how we will amend the legislation, in which we want as many people as possible to participate, so that we can establish how we can deregulate the matter from central Government bureaucratic control, while ensuring that local communities do not have such things imposed on them. Those involved can perhaps come together in a consortium with the MSA, which will issue the licence for any motor sport activity. We are in a very exciting situation. The consultation, which will last for three months, will proceed from today, and I hope that many different people from across the motor sport and other racing industries come forward with innovative ideas. This country is fantastic at innovation, not just in manufacturing but in terms of ideas about how the exciting events that we see around the world can take place in this country.

I spoke to former Ministers for transport about the matter, who said that they would have liked to have dealt with the issue. I think it was on their agenda towards the end of their Administration. It is not a difficult matter, but I have to be honest and say that it will not get into this year's legislative programme. By the time I have finished consulting, we will have to ensure that we do not interfere with local election issues or with the associated purdah. I am sure that that will not happen because it is not a party political issue; it is simply a case of how we empower local communities to do something that they want to do.

Although I wish it could be a one-clause Bill, some technical issues surround the legislation. My hon. Friend knows, because he has done his homework, that there is no point deregulating to allow races to be held when a 30 mph speed limit is still in place and so on. The right of way issue has been touched on, but, sadly, there are several other issues to consider. In such a positive debate, I do not want to bring up a load of negatives about why such races cannot take place, and I have asked my officials to consult on how we can do it. That is the reverse of what has happened since 1928.

Such an approach will be popular in some areas, but the road safety community has some proper concerns, and I understand that. All events based around racing will be licensed by the MSA, which has a fantastic track record in making sure that such events take place efficiently and safely. If what we are doing is a success—and I am sure that it will be—the biggest thing I need to convince people about is having a structured programme, so that one community that agrees early on does not have a disproportionate number of events imposed on it. We also need to ensure that the motorist, who predominantly pays for our roads, is not inconvenienced too much. That balance is something the Isle of Man has addressed very well. I have been invited to the Isle of Man TT this year but, sadly, family commitments mean that I cannot be there. I would have liked to take my Triumph across the water and, if not raced on the circuit, perhaps been pro enough to drive it, even if I would have been somewhat slower than the racers.

There are some strange legal anomalies regarding motor sport. Technically, the London to Brighton rally is not a race. If it were, we would have to pass an Act of Parliament every year so that it can take place in November. When we are proud of our heritage, that is a ludicrous situation to be in. I have not discovered why, over the years, subsequent Parliaments of all political persuasions have not dealt with the matter. I use this terminology all too often, but doing so is a no-brainer. As long as we have control and are happy that the community is the driver for this, why should Government hinder such an event? With that in mind, as I say, the consultation will last for three months.

Karl McCartney (Lincoln) (Con): I welcome the consultation and congratulate my hon. Friend the Member for Wyre and Preston North (Mr Wallace) on securing the debate. I am very interested in classic cars. From a historical vehicle point of view, will the Minister look at examples overseas? A great historical vehicle event called the grand prix of the ramparts takes place in Angoulême, France. Although our villages might not look exactly the same as those involved with that race, there are areas where similar events could take place. That would be a great bonus to the historical vehicle owners who would enjoy such an event.

Mike Penning: My hon. Friend makes a sensible point. This is not about one type of vehicle; it could involve any type of vehicle. It would be up to the MSA and the local community to decide to go ahead. I have already announced that a consultation will take place on whether we can remove classic and vintage vehicles up to a certain age group from the MOT test. The MOT testers do not want to deal with such vehicles because they are trying to test modern vehicles. However, under

law, they have to do an MOT test. I was in a 1911 Rolls-Royce the other day that belongs to Lord Montagu. How on earth could an ordinary MOT station dream of doing an MOT on such a vehicle? I have had the honour of being invited to drive the Mille Miglia in Italy this year, which I have to do in a British Jaguar XK150.

Karl McCartney: Is there any chance that the Minister might need someone to join him and carry his bags because my name is at the top of that list.

Mike Penning: I am afraid that my hon. Friend might have to speak to my wife, who has very kindly allowed me to go as long as she is with me.

On a serious note, the debate has been very useful. I pay tribute to my hon. Friend the Member for Wyre and Preston North not just for securing the debate, but for being informative before it took place. That meant I had the chance to do my homework and listen to representations from the MSA and many people in my constituency. I represent one of the most socially deprived wards and one of the most affluent villages, so there is a good spectrum in terms of the excitement about such an event taking place.

Mr Wallace: Does my hon. Friend agree that what is amazing about motor sport is that the supporters are often low profile? It is only when there is an event such as this, that one receives dozens of e-mails from constituents who come out of woodwork and who one never knew were keen supporters of the sport. Such people take part in club events every weekend.

Mike Penning: I never cease to be fascinated by how many people get up in the very early hours of the morning on a weekend to watch Formula 1, like we all

did last weekend. We were even up for the practice sessions, which I am sure makes us complete anoraks, but we were up and so were millions and millions of other people. This is not a class issue. This is not about the affluent. One of the reasons why the younger chaps in my constituency tell me that they are always out and about in their go-faster cars is that they do not feel that they have an outlet. I am not saying that they are bad guys—they are not. They are just frustrated. They would like to have an outlet to give them an opportunity. This measure, especially if it is done properly—

Hugh Bayley (in the Chair): Order. There is a Division in the House. If the Minister feels that he can finish in two minutes, I think we could run on. If he wants his full four remaining minutes, we should adjourn.

Mike Penning: Mr Bayley, I can always take a hint, so in the space of 90 seconds I will sum up.

I congratulate my hon. Friend the Member for Wyre and Preston North yet again on securing the debate and giving me an opportunity, on behalf of Her Majesty's Government, to wipe out, in a short period of time—a bit of patience will be needed to get the legislation right—the anomaly that has existed for so many years, since 1928. I hope that local communities will take the opportunity to work with the MSA as a licensing authority to come forward with plans. If they do not, I think everybody would understand, but I suspect that this will be a very popular measure throughout the country. I hope that we can introduce the legislation that will enable local authorities to exercise those controls.

Question put and agreed to.

5.11 pm

Sitting adjourned.

Westminster Hall

Thursday 31 March 2011

[MR CHARLES WALKER in the Chair]

High-Speed Rail

Motion made, and Question proposed, That the sitting be now adjourned.—(Michael Fabricant.)

2.30 pm

Mr Peter Bone (Wellingborough) (Con): It is a pleasure to serve under your chairmanship, Mr Walker. I speak as a representative of the Backbench Business Committee, and will briefly set the scene for this debate. As Members know, every Tuesday we hold an evidence session for Members of Parliament, who come to the Committee to try to secure a debate. They have to overcome many hurdles: the subject should not be Government business, or business that the Labour Opposition might want to discuss; and a number of Members must be interested in it. Judging by the numbers present this afternoon, that hurdle has probably been overcome. There must also be cross-party interest, and we like there to be internal dispute between the parties on the issue. The ideal debate, of course, is one that Members on neither Front Bench would want put on.

This debate on high-speed rail ticks almost all those boxes. We want this to be a wide-ranging debate. The Backbench Business Committee did not want it to be just about local constituency interests; we also wanted it to be about the principle of high-speed rail, and whether it is correct to spend billions of pounds on it. A Member who represents a constituency in the south-west might feel that it is not appropriate to do so, and that the money could be spent elsewhere. We hope that those points will be debated today.

We in the Backbench Business Committee are keen to stress that this Chamber is on a par with the main Chamber. Members taking part in Westminster Hall debates have absolute privilege, as they do in the main Chamber. The only difference is that we are not able to table a substantive motion in this Chamber. In the past, when a debate in this Chamber has produced a lot of interest and a lot of different points of view, we in the Backbench Business Committee have been keen to put on another debate on the same subject in the main Chamber, where there might be a substantive motion.

One of our problems in the Backbench Business Committee is that we are not in control of the allocation of time. In the main Chamber, we are given only limited notice by the business managers of when our time will be. Moreover, we do not know how many days we will get this Session. We have more certainty about Westminster Hall, which is why high-speed rail is being debated here today. That does not mean that we would not be prepared to consider, at a later stage, putting on this debate in the main Chamber.

Many Members want to speak, so I shall conclude my remarks. I have parliamentary business elsewhere, Mr Walker, so I apologise for the fact that I shall have to leave shortly.

2.33 pm

Kelvin Hopkins (Luton North) (Lab): It is a pleasure to speak in this debate. I have a great interest in rail and, generally speaking, I am positive and passionate about the railways. Unfortunately, however, on this occasion I have to speak negatively about High Speed 2. I am deeply sceptical of it, for a variety of reasons. It is an unnecessary route and will be very expensive, and that money would be better spent elsewhere on modernisation, electrification, re-signalling and a variety of other expenditures. Eddington took the same view in his report. He was absolutely right to say that the focus should be on commuter and inter-urban routes, above all to relieve congestion, which causes extreme expense for the whole economy; that expense will rise to tens of billions of pounds in the next two or three decades, unless we do something to relieve congestion.

Congestion is caused by a number of things, the first being passengers using cars when we should be using rail. It is also caused by heavy freight, not directly so much as indirectly, because heavy freight on roads causes road damage. What is known as the fourth power law of road damage relates axle weights to road damage, and it is lorries that cause damage to roads. I am not against lorries per se, but a lot of the traffic that goes by road should actually go by rail. Road damage means that motorways have to be closed off time and again so that roads can be repaired, which means having two lanes for long stretches instead of three. The same applies to towns. It is necessary, for the future, to get heavy freight off road and on to rail.

I spoke on this theme in a recent debate in this Chamber, and explained how we ought to spend the money in alternative ways. For example, HS2 will run from north to south. There are already north-south routes, but they have not had sufficient investment, despite their modernisation, and they do not have enough capacity as they stand. They could, however, have enough capacity if we invested heavily in modern signalling, got many more train paths on the same tracks, and got freight off those lines. Before anyone jumps in and says, "Ah, but if we build HS2, we can put the passengers on that and leave the other lines free for freight," that is nonsense, because it is impossible for the gauge sufficiently to provide, all the way up the backbone of Britain, for getting trailers on trains and even full-scale containers on flat-bed trucks. It is not possible to rebuild all those mainline railway lines on a gauge that is sufficient to take all the freight necessary. Moreover, scores of other major stations on those lines have to serve passengers, so passenger trains have to run on those routes, whatever is done about HS2.

HS2 serves only major cities. All those hon. Members who are enthusiastic about HS2 but who are not actually served by it might find that money that could have been invested in their own routes will be sucked away and spent on HS2. People who live in Milton Keynes, Coventry—my hon. Friend the Member for Coventry North West (Mr Robinson) is sitting to my right—Luton and many other areas are not served. Before anyone says that I am a nimby, I am not, because HS2 will not serve or go anywhere near Luton.

Stephen Pound (Ealing North) (Lab): Those of us in Perivale certainly feel the pain, and there is no discernible indication of gain. On my hon. Friend's analysis of the

[Stephen Pound]

finances, can he enlighten us about the extent of private sector investment and involvement in this great, vast, glittering scheme?

Kelvin Hopkins: That is for the Minister to pronounce on and explain. I am a traditional socialist of the left and believe in public investment, which I think is much cheaper—the markets can be borrowed from much more cheaply, but I will not go into that now, because we will end up getting into private finance initiatives, public-private partnership and all those other financial disasters. I do not want to tread on dangerous ground, but the tube was not exactly a success, in terms of PPP. I believe in public investment, but wherever the investment comes from, it will be a very large sum that could be spent elsewhere. The opportunity costs will be great.

It would be easy to modernise the east coast main line. We could double the viaduct north of Welwyn to make four tracks instead of two; it is a pinch-point at the moment. A flyover is already being built for the Cambridge line at Hitchin. We would then need a passing loop at Peterborough, which would not be difficult, and a flyover at Newark. The whole line would then be open for 140 mph working, non-stop from King's Cross to Edinburgh. In 1992, a test train did that route, non-stop apart from a two-minute stop at Newcastle, in three and a half hours. Interestingly, the proponents of HS2 suggest a time of three and a half hours—the exact same time that could be achieved on the existing route with a bit of modernisation.

The west coast main line is much more heavily used and serves more areas. Modernisation could get it to work at 135 mph, and similar route modifications could make it much better. We need to get the freight off that line. I repeat that freight and heavy axle weights cause more damage to tracks, which then need more repairs and more maintenance work. If we got freight off that line, and had modern signalling and many more train paths, we would have what we need up the west coast. As for passenger numbers, certainly the east coast has plenty of scope already; on the west coast, there is enough to cope for the long-term future.

I am arguing for a new, dedicated rail freight line; some hon. Members may know that I have been proposing that for a long time. I have been involved with a group of people who have a scheme that has been thought through in detail and involves a precise route. It would use old track bed and existing routes, and would involve only 14 miles of new line, nine of which is in tunnels. There would be a dedicated rail freight route up the backbone of Britain, serving all the major conurbations and linked to the channel tunnel; freight could go from Glasgow to Rome direct. The trains would be able to take full-scale lorry trailers, and double-stacked containers if necessary, all the way from the continent of Europe right through to Scotland. That is what Britain needs. That proposal would take 5 million lorry-loads off the roads, and much of the north-south freight off the east coast and west coast main lines. The supermarkets and a number of commercial organisations support the scheme.

Julian Smith (Skipton and Ripon) (Con): Does the hon. Gentleman not think it is absolutely crackers that I can get to Paris quicker than to Leeds, which I go to

when I travel to my constituency, Skipton and Ripon? Is it not absolutely crackers that Britain is one of the only developed nations not to have a high-speed network?

Kelvin Hopkins: High-speed networks work brilliantly in areas where there are long gaps between major conurbations—in Spain, France and so on. Britain is much more densely populated. There are many stops and more towns en route. As I have suggested, we need more investment in the conventional railways that we already have, so that we can get to those destinations more quickly. I am sure that we can easily raise the speeds to Leeds, and certainly to other areas, with a lot of investment.

David Mowat (Warrington South) (Con): The point is often made that high-speed rail works better over longer routes. Would he concede that the Paris-Lille, Osaka-Tokyo and Cologne-Frankfurt routes are all about 120 km long, which is quite similar to the first part of high-speed rail that is planned?

Kelvin Hopkins: We would have to be prepared to spend that kind of money. I have been on the Cologne-Frankfurt route and it is fantastic. A third of it is in tunnels, which are vastly expensive. The Germans have decided to build that route and it is a wonderful line. We do not have the resources to build lines like that everywhere. Some high-speed routes do not go through much on the way; we almost invariably have significant towns en route that have to be served on the same line.

David Mowat: I was responding to the hon. Gentleman's point that high-speed rail works only over vast distances. The examples I quoted are not vast distances; they are very similar to what is envisaged in the first part of high-speed rail.

Kelvin Hopkins: In the best of all possible worlds, it would be nice to have fast routes everywhere. However, we must consider the resources involved. The significant routes are where people would choose to travel by air, rather than by land; people would go by aeroplane from Madrid to Barcelona, for example. Routes become economical where large numbers of people want to travel between conurbations that are fairly widely spaced, there is not a great deal in between, and it is easier to get the high-speed track without too much cost.

Mr Bob Ainsworth (Coventry North East) (Lab): My hon. Friend's proposition for a dedicated freight line has been around in one form or another for a very long time and has always attracted the same level of opposition as HS2. Is it not almost inevitable when such a major infrastructure project is planned that there will be huge opposition to it?

Kelvin Hopkins: My right hon. Friend is absolutely right. There is always opposition to such plans. I stressed at the beginning that I do not object to the line because it goes near me or anybody else; I am objecting to it on the basis that it is unnecessary and expensive, and the money should be spent elsewhere. I am taking up too much time, Mr Walker. I can see that many hon. Members want to speak.

Mr Charles Walker (in the Chair): There are plenty of hon. Members who want to speak.

Kelvin Hopkins: I have made my main points. I have made them before in this Chamber, and I shall continue to make them, because they are rational. A lot of people in the industry also support my view, which is not based on nimbyism but on what Britain really needs. Britain does not need HS2; it needs more investment in conventional rail and, indeed, in rail freight.

Andrea Leadsom (South Northamptonshire) (Con): On a point of order, Mr Walker. For several months, the hon. Member for Coventry North West (Mr Robinson), my hon. Friend the Member for North Warwickshire (Dan Byles) and I have attempted to secure this debate via the Backbench Business Committee. We have been preparing for this incredibly important debate for a long time, and I was assured only yesterday by the Table Office that my hon. Friend the Member for Wellingborough (Mr Bone) would make a few brief comments, and then I would be the first speaker.

Mr Charles Walker (in the Chair): It is always helpful if the Table Office conveys to the Chair the discussions it has had with Members' researchers. If there has been confusion, I will get to the bottom of it.

2.45 pm

Andrea Leadsom (South Northamptonshire) (Con): It is a pleasure to serve under your chairmanship today, Mr Walker. I am delighted to see so many right hon. and hon. Members in this Chamber. I would particularly like to mention my hon. Friends the Members for Lichfield (Michael Fabricant), for Kenilworth and Southam (Jeremy Wright) and my right hon. Friend the Member for Uxbridge and South Ruislip (Mr Randall), who are present today.

I am sick to the back teeth about the way in which the debate on high-speed rail is being trivialised into the nimbys versus business recovery, the poverty-stricken north versus the privileged south, and the commuter versus the community. The debate about high-speed rail should be about how best to deliver the transport infrastructure that Britain desperately needs to ensure a rebalancing of our economy, with prospects for private sector recovery coming from all parts of the UK and not just the dominant south-east.

High-speed rail will be an eye-wateringly expensive project, costing at least as much as the renewal of Trident. It is crucial that a project that would cost each family in Britain £1,000 is properly scrutinised to deliver not just the benefits of extra capacity, but the value for money that taxpayers are entitled to expect. I will make the case that high-speed rail does not deliver value for money. That is not a nimby perspective. I have spent 23 years in banking and finance, including in project finance. I do not believe that the economic case stacks up and I am certainly not alone in that view.

My hon. Friend the Member for Chichester (Mr Tyrie), Chairman of the Treasury Committee, gave a speech immediately following the Budget. He said:

"In our efforts to return to sustained growth, we need to make the best use of every pound invested in our public services. Another example of the need to make sure we have coherence in growth policy has been put to me by colleagues on both sides of

the House. They have asked whether spending £17 billion on a high-speed rail link is better use of the money than investing in modern rolling stock and improving the existing tracks."—[*Official Report*, 23 March 2011; Vol. 525, c. 973.]

That is precisely the question that Parliament needs to debate and resolve. Others who question high-speed rail, and whom, I feel sure, could not be accused of nimbyism, include the TaxPayers' Alliance, the Adam Smith Institute, the Institute of Economic Affairs, Friends of the Earth, the Sustainable Development Commission, rail experts and the Countryside Alliance. So let us have a proper debate today and acknowledge that all who speak here are in favour of the central goal of achieving better transport infrastructure, in support of rebalancing our economy and a private sector-led recovery.

Graham Evans (Weaver Vale) (Con): All three major parties had HS2 in their manifestos, including the party for which my hon. Friend stood. Why is she choosing this moment to put these points forward, rather than before the general election?

Andrea Leadsom: I thank my hon. Friend for those remarks. Ever since Lord Adonis introduced the proposal, I have opposed it, as I am sure my right hon. Friend the Minister will recall.

Angie Bray (Ealing Central and Acton) (Con): The proposal was, of course, in our manifesto. That is a particularly important point for my constituency because we were deadlocked on the third runway at Heathrow. One of the most important alternatives our party suggested was putting people on trains rather than planes. I appreciate that the proposal will not make a difference to travel from Birmingham, because there are no planes from there to Heathrow but, when we push up north, it could make a significant difference to the use of domestic flights to Heathrow. For that reason alone, it is very easy for me to support the proposal.

Andrea Leadsom: I agree absolutely with my hon. Friend. We desperately need to improve dramatically the capacity in our train infrastructure. I hope that she will bear with me, because I intend to show that we can achieve that without needing to spend the amount of money that we are talking about for high-speed rail.

Dan Byles (North Warwickshire) (Con): On that point, lest people think that that argument means that this is somehow a green solution, is it not the case that any slots freed up at Heathrow from domestic airlines will be taken up by long-haul airlines, thus increasing not decreasing emissions?

Andrea Leadsom: Yes, indeed. There have been plenty of anecdotal reports from low-cost airlines suggesting that they would welcome the opportunity to put on more cheap long-haul flights.

I plan to challenge four aspects of the case for HS2: the business case, the environmental case, the claims about job creation and the potential for regeneration. I am a firm believer that one cannot attack something without providing an alternative. I will therefore also discuss a viable alternative to HS2. I have based my challenges on phase 1 of HS2, in spite of the fact, unfortunately, that the consultation incorporates the entire Y-shaped project. There is too little detail on the

[Andrea Leadsom]

assumptions underlying phase 2 to be able to assess the figures properly. I also need to point out that the original business case, written by Atkins for the Department for Transport in March 2010, was updated last month. The new business case is considerably less attractive than the old one.

I will deal first with the business case for HS2. HS2 Ltd claims a net benefit ratio, which includes the wider economic impacts, of 2. That means that for every pound spent, there will be £2 of benefit. That is about the minimum return that could be expected from a rail project—the bar for roads projects is significantly higher. Even that modest claim, however, makes enormous assumptions. Specifically, one of the core and somewhat ludicrous assumptions is that all the time spent on a train journey is wasted, and therefore that every minute of a train journey that is saved can be given a value in pounds—the number of minutes saved, multiplied by the earnings of an individual. That would not matter so much except that the journey time savings account for more than 50% of the £20 billion of total economic benefit claimed for the project. I urge the Department for Transport to look again closely at that point.

David Mowat: On the first point, the ratio of 2 is for the London to Birmingham link. As my hon. Friend will know, the ratio is 2.6 for the link to Manchester and to Leeds. Including the wider economic benefits, it is 2.6. I have the business case for Crossrail, which my hon. Friend may have had the chance to have a look at. The business case in that is 1.87. The final point that my hon. Friend might wish to consider is the idle time point, which is very important.

Mr Charles Walker (in the Chair): Order. We have had too many questions.

Andrea Leadsom: I am struggling to follow some of my hon. Friend's numbers, because I think that he might be looking at the numbers from the original business case, not from the current one. I do not want to address his points specifically because those numbers do not quite register with me. I apologise for that.

Passenger forecasts are another major assumption in the business case, relying on a 216% rise in demand for train travel. That figure remains wildly optimistic, in spite of being downgraded from the original business case, in which growth of 267% was forecast. The Department for Transport's own national travel survey shows that overall transport demand is no longer growing with GDP. Eurostar's passenger numbers in 2009 had reached only 37% of the level that was forecast, as a result of building the HS1 link. The Public Accounts Committee took evidence from the Department for Transport on that point and was reassured by it that lessons had been learned and that any future major project would factor in more severe downside assumptions—that has clearly not been the case. The only comparable forecasts for long distance rail travel by 2036 are from Network Rail, which predicts a range of growth of 45% to 89%, versus that forecast by HS2 Ltd in its original business case of 133% growth by 2033. I urge the Department for Transport to look closely again at that assumption.

Of course, in cash terms HS2 will never pay for itself. Once built, only one third of the total claimed benefits will be captured through fares. The value of the net revenues once it has been built—with a presumption of fares of £14 billion, less operating costs of £6 billion over a 60-year project life—will cover only less than half of the capital costs. At a time when families up and down the country are feeling the pinch, we must make sure that infrastructure projects offer value for money. Many people would argue that not a penny will be spent until 2015 anyway, but between 2009 and 2015 the Department for Transport expects to spend around £1 billion just on preparing the way for high-speed rail.

Secondly, on the environmental impact, HS2 Ltd itself says that the project is, at best, carbon neutral. It predicts that 65% of passengers will either transfer from existing rail services, where faster trains inevitably increase carbon emissions, or are additional new journeys as a result of the faster trains, which will also increase emissions. The shorter journeys by air that will transfer to HS2, will ironically, as my hon. Friend the Member for North Warwickshire (Dan Byles) said, provide more capacity at our regional airports for cheaper long-haul flights. It is estimated that the modal shift from car to high-speed train will be approximately 7%. In fact, HS2 Ltd forecasts that the traffic volumes on the M1 will be reduced by only 2% as a result of HS2. So, it is not green. There will also be a significant environmental impact during construction, as well as permanently, to the English countryside, wildlife and historic sites.

Thirdly and fourthly, on the prospects for job creation and regeneration, the Department for Transport claims that HS2 will create 30,000 new jobs. Some 9,000 will be construction jobs and are likely to be temporary. The rest are skewed towards property development and retail near stations.

Craig Whittaker (Calder Valley) (Con): It is not often that I am at odds with my hon. Friend and her point of view. However, only yesterday 90 business leaders from Yorkshire published an open letter in the *Yorkshire Post*, which sent a resounding message to the Government and said very clearly that high-speed rail is vital for Yorkshire's success in the future. Who is right: the 90 business leaders in Yorkshire, or my hon. Friend?

Andrea Leadsom: I agree with my hon. Friend that it is very unusual for us to disagree. The reality is that we all share the same goal: to regenerate our economy and to provide good value for money to the taxpayer. What we are arguing about is how we achieve that. Surely my hon. Friend would agree that HS2 is not the only possible means by which to achieve that regeneration. We have to look at what gives us the best value for money.

Up to 70% of the new jobs created by HS2 will benefit London, where Old Oak Common is believed to be the best location for regeneration. I am sure that many hon. Members across the House do not feel that regeneration benefits to London represent good value for money. In fact, research on capital expenditure in the wider economy suggests that the cost of creating one job in the first phase is about four times the cost of capital expenditure in the wider economy. Again, I urge the Department for Transport to consider whether the

project will create jobs. Would it be better to spend the money elsewhere and get four times the number of jobs in the wider economy?

Mr Andy Slaughter (Hammersmith) (Lab): The hon. Lady is falling into the trap into which she said she did not want to fall—the north-south divide. In the ward in my constituency where the interchange will be based, just over half the working-age population are currently in employment. Investment in employment is needed in large parts of London, and in the south as well as the north, and she should perhaps have regard to that.

Andrea Leadsom: I thank the hon. Gentleman for his comments. Of course, he is absolutely right, but one of the key advantages that is talked about by those who advocate HS2 is the regeneration potential for the north of the country, and the scheme's contribution to rebalancing our economy between the north and the south. I am sure he will agree that while there are benefits to regeneration in some desperate parts of the south as well, HS2 will not provide the regeneration in the north that is claimed for it.

Stuart Andrew (Pudsey) (Con): Does my hon. Friend not recognise that HS2 coupled with the northern hub would actually provide many jobs in the north and help to end the north-south divide?

Andrea Leadsom: I thank my hon. Friend for his comments. I absolutely am a supporter of the northern hub—there is no doubt about that—but I refer him to my comments. HS2 is an extraordinarily expensive way of achieving jobs. In the wider economy, the cost of providing one job through capital expenditure is believed to be some 25% of the cost of providing one job through this project. I do not believe that it is a good way to create jobs, whether in the north or the south.

In summary, I believe that HS2 is a deeply flawed proposal that will not deliver the economic, environmental, employment or regeneration benefits that are claimed for it. However, I absolutely recognise the shortcomings of our existing transport infrastructure, and I commend the Government for the many measures they are taking to sort out long-standing bottlenecks.

The rebalancing of our economy and a private sector-led recovery will depend on significant investment in infrastructure, but there is an alternative to HS2 that can achieve the capacity the country needs at far better value for money: Rail Package 2. RP2 can provide 135% extra capacity, extendable to 176%, and a significant advantage is that it can be introduced incrementally as passenger demand increases. It requires certain things: lengthening all Pendolino trains to 11 cars from the current mix of nine and 11 cars; replacing some commuter trains with 125 mph stock so as not to delay faster trains; dealing with bottlenecks at seven specific points along the line; adding platforms at Euston and Manchester, and considering laying more track into Birmingham.

RP2 to the west midlands has a benefit-cost ratio of 1.9 versus 1.6 for HS2 London to west midlands, excluding the wider economic impacts. The benefit-cost ratio of the whole Y-shaped project is higher, at 2.2, but there is not enough information about the assumptions to evaluate that. In any case, I have provided plenty of information to challenge the assumptions.

The Minister of State, Department for Transport (Mrs Theresa Villiers): Is my hon. Friend aware that the analysis of the business case for RP2 does not take into account the huge cost that would come from disruption to services as a result of the kind of upgrade she is talking about?

Andrea Leadsom: I thank my right hon. Friend for her intervention. I had not written that into my contribution because there is so much to say. As she well knows, HS2 requires the complete rebuilding of Euston station, and it would be extraordinarily difficult for services to be able to continue on the west coast main line during that period. In addition, as I am sure she knows, the proposals in RP2 are not the same as the first incremental improvements to the west coast main line in the first phase of regeneration, which required rebuilding virtually the whole of the track and the signals. The incremental proposals are entirely achievable while existing network services are utilised along the west coast main line.

Mrs Villiers: Does my hon. Friend accept that the more intensively a transport system is used, the higher the price paid in terms of lack of resilience? One of the major concerns about RP2 is that the line is intensively used at present, and the kind of even more intense use that she advocates would have a significant impact on it and cause major deterioration in reliability. There would be a significant negative impact on the quality of the passenger experience.

Andrea Leadsom: I thank the Minister again, but I have to disagree with her. There is no evidence that suggests that RP2 would involve a desperately intensive use of the west coast main line. Not only that, the capacity created by it would significantly exceed the likely demand, certainly in the short and medium term. Other rail experts argue that the forecasting model that is being used by the Department for Transport is suitable for forecasting demand up to 10 years only, not the 43 or 45 years for which the Department is forecasting. There is no clear evidence that my proposal would entail that intensity of west coast main line usage.

Another significant benefit of RP2 is that it can be delivered far quicker than HS2, thereby dealing with the problems of overcrowding now, rather than leaving the commuters of Manchester, Birmingham, Rugby and Milton Keynes to wait until 2026 for proper relief. The danger that is inherent in forecasting out to 45 years, as the Department has done, is removed by using RP2. It can be implemented incrementally—it is not all or nothing—and problems can be dealt with as they arise.

I fear that HS2 is a flawed project. There is no doubt that we have to improve our transport infrastructure, but I urge the Department to reconsider RP2, which is cheaper and more environmentally friendly. It would deal with the problems sooner and far more accurately than HS2.

I shall conclude with a final call to action. The original mandate of HS2 Ltd was to look at the feasibility of, and the business case for, a new high-speed rail line between London and the west midlands, and to consider the case for high-speed rail services linking London, northern England and Scotland. Because of that mandate, HS2 Ltd inevitably has a vested interest in seeing HS2 built. For the credibility of the project, the Department should undertake an independent comparison of the

[Andrea Leadsom]

merits of HS2 versus RP2. Legitimate concerns have been ignored because of the insistence that opposition is just nimbysm. We must put that aside and have a rigorous debate on how to achieve our shared goals while getting the greatest bang for our buck. Thank you, Mr Walker.

3.7 pm

Mr Geoffrey Robinson (Coventry North West) (Lab): I am pleased to follow the hon. Member for South Northamptonshire (Andrea Leadsom). This is, indeed, a most important debate, and I would like to thank the hon. Member for Wellingborough (Mr Bone), who is a member of the Backbench Business Committee, for giving it to us. As he made clear, we had wished for a debate on the Floor of the House, and he almost promised us one once we are further into the consultation period. I am pleased to see such a good cross-party alliance forming here against HS2, and I hope briefly to follow the hon. Member for South Northamptonshire in setting out some of the reasons why it is a monumental waste of money and diversion of scarce resources.

I assure my hon. Friends who represent certain London and home counties constituencies, and others such as my right hon. Friend the Member for Coventry North East (Mr Ainsworth), that those who oppose HS2 absolutely recognise the need for more capacity. We recognise that greater connectivity would be of great benefit, but we believe—I agree here with the hon. Member for South Northamptonshire—that Rail Package 2, which was worked out by Atkins, as the Minister knows, offers a much better prospect for being able to do that in a shorter time and on a much more cost-effective basis than HS2. I will say a few more things about that in a moment, if I may.

Those who represent Manchester and Leeds will naturally have an interest in seeing their constituents and businesses able to come down to London much more quickly than they can at present. I urge them to read about and get into the alternatives in RP2. It does most of what they could reasonably expect, given the scarcity of resources for capital projects, and all other areas of revenue expenditure as well, that this country faces in this difficult period.

The project mysteriously appeared at the tail end of the previous Government's tenure of office, and was somehow or other—remarkably quickly—brought to the fore by Lord Adonis. One has to congratulate him on his coup in that respect. To many people, it came out of the blue, and provided the preponderant Tory part of the present Government with a marvellous reason for being able to cover their strange decision against the Heathrow extension—I know that many people had an interest in it. They managed to cover it by being able to say that they would replace it with HS2 going up to Birmingham and on to the north. It does not really do that at all. It is a great pity that the coalition Government missed the opportunity at least to subject this huge expenditure to a proper review. Instead, they jumped on the bandwagon to justify their stance over Heathrow.

As for the justification for HS2, I pay tribute to the work done by the HS2 Action Alliance against the project and I recommend its papers to everyone in the debate—I

am sure some of them will be available, and Members should study them. For those of us who are against the project, it is a relief not to have to fix the numbers or to choose the numbers that suit our case best, as all Governments and Oppositions do, because every time we look at the Government's numbers, they collapse. The Department for Transport brought some numbers out last March, and they brought some more out this year. Every time they bring numbers out and we examine them—there is no party political point in this—they are downgraded, just like current Government forecasts. At the end of my speech I will return to the point about what the Government should do in the present situation.

If one adopts some realistic assumptions on demand for HS1 and on the time benefit, the net benefit ratio is now down to 50p per pound spent. No time currently spent travelling by rail is counted at all, but the entire time spent on HS1 is counted at an annual rate of £70,000 a year, and every minute is brought into the so-called net benefit ratio. That is a monstrous distortion. One does not have to calculate other figures; one simply has to expose what the Government and the Department are up to.

Another point that has been made is that there is no alternative. I will deal with the subsidiary points in a moment. As I said, there is an alternative: it is called Rail Package 2, and it is in the Atkins alternatives. Before the Department published the revised forecast earlier this month, we urged it to study RP2. Instead, it bundled it together with two or three inadequate alternatives and tried to tar them all with the same brush. What we need the Government to do—they have made a useful start in this respect—is to set up an office to objectively and independently consider major infrastructure projects, in the same way that they set up the Office for Budget Responsibility. We do not have such an office, and nobody has looked at this issue other than the Government and the Department, whose minds are set in favour of HS2. What we are embarking on is not consultation; those who are against the project and those who are in favour of it can put their points, and ne'er the twain shall meet. The outcome, of course, will be a Division in the House in due course.

The Government are not listening; their mind is made up. Instead of just putting forward the same old flawed figures, why do they not look at the situation again, study RP2 objectively, try to develop it and see what alternatives emerge? They should do that productively and positively, not so that they can dismiss RP2 before they have made a decent analysis of it.

Mrs Villiers: I am sure I am not going to convince the hon. Gentleman on everything, but I hope that I can convince him that the Government have an open mind on this issue. We are listening to the concerns that are being expressed now and that will be expressed during the consultation. That is one reason why about half the route we inherited from our predecessors has been altered with a view to mitigating its local environmental impact.

Mr Robinson: I am grateful to the Minister. I hope that we can take that assurance at face value, as we are meant to. The test will be whether the Department is prepared objectively to get into the detail of RP2,

because it has not done so yet. The Government should just study the papers produced by the HS2 Action Alliance and look at where they have tried to conflate a whole set of different alternatives. The Government and the Department—not the Minister, of course—should look at where they have tried to obfuscate the obvious advantages of RP2. From being 25% of the capital cost of HS2, RP2 has suddenly become 50%. That is all about the sudden increase in the cost of the rolling stock for RP2. Why has that happened? Can the Minister answer that basic question? After all, the Government say that they have studied this objectively.

Mrs Villiers: There are two different ways to analyse RP2, one of which involves purchasing rolling stock and one of which involves leasing it. That may be the source of the hon. Gentleman's confusion.

Mr Robinson: We have suddenly gone from finding rolling stock available to having to purchase it. The change is not justified; it is not even spelled out. People will have their houses razed and they will suffer enormously. Every taxpayer will have to pay well over £1,000 towards HS2, but there is no real justification for this project yet.

If the Department is serious, if it wants to get back some credibility with those who look at these issues and if it wants to justify a real national case to people, including some in my constituency, as well as citizens elsewhere in Coventry and in Stoke, who will simply be bypassed and have a much worse service from HS2—businesses in Coventry will be adamantly against it, and those in Leeds and Manchester can no doubt be brought to say that they are, too—the least it can do is set up a proper inquiry into the business case for HS2 and explain why RP2 would not be a far better alternative or, at the very minimum, a valid alternative.

Conversations with Centro have made it clear that we need the added capacity, and no one in the debate has any doubt that HS2 would provide it, but at what cost? It will cost £18 billion to Birmingham and £30 billion to Manchester and Leeds. The cost per job created will be £600,000, which is monstrous. It has been said that that is about four times more than a normal job, for which the cost is £150,000, but even that figure is a gross exaggeration, and infrastructure projects can create jobs elsewhere in the economy at a much lower cost. The figure of £600,000 is mind-blowing.

Incidentally, I cannot imagine where the Treasury is on this. It has never been known to be terribly favourable to transport projects—on the contrary. It is also notorious for cutting waste and stopping projects that do not have a proper financial justification. How has the Department managed to convince the Prime Minister and now the Chancellor that it is in favour of the project? I cannot imagine why the Treasury has not stopped it. The only reason can be that the Government need something to explain why they have come out—this was purely for electoral reasons—against the development of Heathrow.

Graham Evans: Perhaps the fact that the Chancellor is a northern MP has something to do with that. However, on the previous point, Lord Adonis said that the likes of Rail Package 2 would be a classic British compromise and a mistake.

Mr Robinson: We have these generalisations, and people talk about a classic British compromise. We have all these platitudinous, stupid arguments, with people saying, "The Germans have one", "We've got one" and "My dad's bigger than your dad." I have never heard anything so daft. We should look at the facts and figures and study these things objectively. If the hon. Gentleman cannot, the people in the Department can.

One Government Member has said that the terms of reference mean that the whole process has been hijacked by the pro-HS2 lobby, and there it has stayed. Nothing else has been analysed objectively. The OBR was set up to make sure that the Government's general finances, economic policy and investments at the national level that are unrelated to infrastructure are properly evaluated, and the case for doing the same for infrastructure projects is stronger still. The Government should introduce such a body, and I would commend them if they did.

The green case has also collapsed. There is no net benefit in terms of the reduction in carbon from the scheme. The movement from air traffic constitutes only 7% of the eventual traffic to be carried on HS2, which is terribly small. Most importantly, this project is so long term that all the forecasts are meaningless; they have to be. Many of us will have heard Robert Chote on the "Tonight" programme saying that forecasts are very difficult. Robert Chote has all the power of the Institute for Fiscal Studies and all the stuff that he has brought into the new OBR, but the OBR has not got a forecast right from the Budget last June, to last November's pre-Budget report, to the Budget this month. In about 10 months, it has changed its mind three times. To justify their demand forecasts, the Government have pushed them out 35 years; they have added 10 years on to get the volume increase they need to justify the project. What they are doing is so obvious, and that sort of stupidity is invalidating their case and making all of us who will be affected by this project, including those whose homes will be torn up, increasingly angry.

John Stevenson (Carlisle) (Con): The same could apply to the hon. Gentleman's forecasts. They could be underestimates as well. The economic benefits could be far greater than any of us anticipate.

Mr Robinson: That is a very fair point. It is difficult when one looks at such wildly different forecasts. One has to look at the history. Let us take demand forecasts for the rail industry. Nine out of 10 have been grossly exaggerated by at least twice. That is roughly the proportion we have between the conservative forecast and the Department for Transport's forecast today. In the case of HS1, it has only just now, after nearly a decade of some sort of operation, reached the lowest level of forecast we ever thought remotely possible. As we know, HS1 has just been sold off as a dead loss, at a loss of £3 billion.

John Stevenson: On the west coast line the increase in traffic has been far beyond the forecasts made originally.

Mr Robinson: I do not think I can talk to that point. We come back to the fact that it can be done much more cheaply—I hope the Minister is listening. RP2 should be analysed and developed properly. It can also be done much earlier. In this period of difficult recovery, we

[Mr Robinson]

need projects that generate growth and employment now. This is not going to come in—on the best of cases—until 2026 to Birmingham, and then it goes another 20 years beyond that. That is far too late. I was speaking to Geoff Inskip, managing director of Centro the other day, and he said we cannot wait so long, we need the increasing capacity now, as soon as possible. He is convinced that four-tracking between Coventry and Birmingham should be proceeded with forthwith. That is the first step towards RP2 and it should be taken now; we should not wait until 2026. That is an absurd proposition for meeting the country's capacity needs for rail transport.

Mr Ainsworth: By raising the historical context, my hon. Friend is making a good case against every major infrastructure project that has ever been built. All the Victorian railway lines went broke; the channel tunnel never made any money; HS1 has just been exposed by my hon. Friend. Is he suggesting that we should never have built any railways, we should not have built the channel tunnel and we should not have built HS1? He appears to be saying that we can squeeze yet more—and there is a law of diminishing returns—out of the existing infrastructure. We have had years of disruption on the west coast main line for an upgrade. He is saying that huge benefit can be gained by yet more disruption to the existing lines.

Mr Robinson: That point was made earlier. My right hon. Friend asserts one thing that leads me to assert another. I believe it can be developed in that way. I believe it because the Atkins report, which also made a projection for the HS2 line, said it and worked it out in detail. It very clearly dealt with pinch points, length of trains, length of carriages, and calculated the number of problems it would create in disturbance on the line. We want it worked out and properly investigated by an independent body. That is what we need. Nobody is against it; we all want to extend the rail line. We all want to extend rail capacity and increase speeds.

Tony Baldry (Banbury) (Con): Will the hon. Gentleman give way?

Mr Robinson: I will give way to the Minister in a second. RP2 will take us up to 136 mph, which many people think adequate.

Tony Baldry: In fact, I am a humble Back Bencher, and proud to be so. I do not wish to intrude in family grief in Coventry, but I think that the hon. Gentleman is failing to make his best point. His best point on behalf of Coventry should be a concern that HS2—which quite rightly, if it goes ahead, will connect certain cities in the country—is likely to be to the disadvantage of other cities, such as Coventry. He has not made that point in terms, and I am sure it is one he would wish to.

Mr Robinson: I am grateful to the hon. Gentleman. I was trying not to participate in nimbyism. I have been sworn not to do that. I make no apology: I am here to represent Coventry's interest. Call me a nimby or whatever. I can find nothing in the proposal that brings any benefit to Coventry. I think that if my hon. Friend the

Member for Stoke-on-Trent Central (Tristram Hunt) were here he would agree with that point. I can see that many others have a different point of view. We want capacity, we want modernisation, we believe we can get it, there is an alternative, and we want it evaluated. I cannot see what is wrong with that proposition. I cannot see how anyone could oppose it when, looking at capital costs on present forecasts, it would cost half of what HS1 cost.

David Mowat: Will the hon. Gentleman give way?

Mr Robinson: We have taken up a bit of time. The hon. Gentleman will have better use of his time if I curtail mine.

Welcome as a public consultation is, it is no more than an opportunity for the pros and cons to be stated, on a large project on which the Government have already made up their mind. Opening up the mind is very good, and I appreciate what the Minister has said on that point. I have to warn all those who for personal and national reasons are joining us in opposition to HS2 that it is going to require a sustained, strong exercise in parliamentary and people power to get the Government to change their mind. Do not underestimate the difficulties we all face in that respect.

3.7 pm

Dan Byles: I congratulate my hon. Friend the Member for South Northamptonshire (Andrea Leadsom) on securing the debate after months of dogged perseverance, along with myself and the hon. Member for Coventry North West (Mr Robinson), and for her tour de force of a speech, which I think we all agree made the points very eloquently. I am also delighted to see Mr Speaker here; he obviously has a great interest in the matter.

The high number of Members attending demonstrates the importance of the issue, not just to those whose constituencies are affected, but to the entire country. It also clearly demonstrates the need for a full debate on the matter on the Floor of the House before the end of the consultation period. This involves a huge sum of money on a hugely important national infrastructure project. I believe it deserves full debate and discussion by the House.

Due to the large number of Members wishing to speak, and in particular due to the excellent job that my hon. Friend made in pointing out the serious flaws in the business case, I will not speak for too long. I see no need to repeat many of the points that have been made. We have heard that the net benefit ratio is potentially lower than some of the alternatives that we do not believe have been adequately explored. The NBR depends on extremely optimistic passenger growth numbers over which there are serious questions. As the hon. Member for Coventry North West said, we know that the Department for Transport's record on estimating passenger numbers for HS1 was frankly diabolical. To risk £17 billion of taxpayers' money on what might be equally diabolical passenger forecast numbers would be very wrong, without considerably more work being done.

I oppose the proposal in respect of the national business case. However, I would also like to point out my serious concern about the possible impact of the project on the regions. There has been a lot of discussion

and talk about the benefits of rebalancing the economy and pushing economic growth from the south-east to the regions. That is often used as a principal argument in favour of this project. However, I do not believe that the Department or HS2 Ltd have adequately analysed the evidence from existing high-speed rail networks in other countries. The impact assessments produced by HS2 Ltd clearly demonstrate that one of the costs of HS2 will be slower and less frequent train services for some of the surrounding towns and cities—a point made by my hon. Friend the Member for Banbury (Tony Baldry). I am less shy than the hon. Member for Coventry North West in saying that Coventry will see its direct rail services potentially slashed from three to one an hour. The remaining one will be slower.

Mrs Villiers: That is simply not true. There are some indicative forecasts in the HS2 analysis about how services might be configured in future. The reality is that Coventry is going to continue to enjoy frequent fast services. With HS2, it gets additional capacity for other journey opportunities, in particular, commuters get vital relief from overcrowding and lack of reliability as a result of overcrowding on the network.

Dan Byles: I am delighted to hear the Minister say that that is not true.

Andrea Leadsom: I would like to make the point that it is not possible for my right hon. Friend to make that claim. The transport network is actually in the private sector. Therefore, if the rail operators find that they are losing revenue because there is no longer the overcrowding that there was because of the 65% transferral of passengers to high-speed rail, they will inevitably either put up fares or reduce services. The most likely outcome is a reduction of services, because fares are capped.

Dan Byles: I am grateful to my hon. Friend for making that point. The very fact that the Minister referred to indicative figures—they are out there in the public domain, are causing concern, and are often quoted—shows that we have not yet had sufficient discussion or debate about the impact. From a sedentary position, hon. Members have rubbished some of the claims for Rail Package 2, and say that work has been done and shows that some of our claims for it are simply not true. Where is that work? Why is it not being published? Why is the Department for Transport not addressing the questions that opponents of HS2 are asking? Instead, it is addressing motives, and using words such as “nimby” and so on instead of addressing arguments. The Department should address those questions, but it is not doing so adequately.

Of more concern is the fact that there is evidence from studies of existing high-speed rail services in other countries that, far from pushing economic growth from the centre to the regions, they may have the opposite effect. They may suck economic activity from the regions toward the centre. There is a real danger of economic growth draining away from, for example, Birmingham and the surrounding region towards London. The Research Institute of Applied Economics at the university of Barcelona studied existing high-speed rail networks in Japan, France, Germany, Spain and Italy. Its findings should cause policy makers in the UK to sit up and take notice. It suggested that smaller cities linked to larger cities by high-speed rail lines sometimes suffer from a

negative agglomeration effect. That may take several forms, but the report is very clear about the risks for smaller cities such as Birmingham when linked to a larger city such as London.

I shall quote briefly from the report. It states:

“It is consistently reported that HSR does not generate any new activities nor does it attract new firms and investment, but rather it helps to consolidate and promote ongoing processes as well as to facilitate intra-organizational journeys for those firms and institutions for whom mobility is essential.”

It continues:

“In fact, for regions and cities whose economic conditions compare unfavorably with those of their neighbors, a connection to the HST line may even result in economic activities being drained away and an overall negative impact”

Craig Whittaker: The business people of Yorkshire are not particularly interested in rebalancing on a regional basis. All they want is a balanced playing field. It is unacceptable for Yorkshire businesses when competing in our capital in our country that it takes longer to get here than it takes the French and Belgians.

Dan Byles: I thank my hon. Friend for his intervention. It sounds ideal to suggest that linking the two systems will benefit the regions, but the university of Barcelona looked at high-speed rail systems on the continent, and found that the benefits often flow the other way. Economic activity might drain away from the north towards the south.

Stephen Hammond (Wimbledon) (Con): I am listening carefully to the point that my hon. Friend is making. He will know, of course, that the 1970s experience in Japan is contrary to the findings of the study. More importantly and more locally, the study from the North West Business Leadership Team only yesterday points in a completely different direction from that in the Spanish study.

Dan Byles: I give way to my hon. Friend the Member for Warrington South (David Mowat)

David Mowat: I want to make the same point. A recent survey by the West Midlands Chamber of Commerce, which I think includes Coventry and north Warwickshire, estimated that there would be £6 billion of wider economic benefits. Does my hon. Friend not believe that some of that would go to his constituency?

Dan Byles: North Warwickshire council and, I believe, Warwick district council, as well as Warwickshire county council and Staffordshire county council, have all come out formally against the proposal. They obviously do not believe that there will be wider economic benefits for the midlands and their council areas.

The point made by my hon. Friend the Member for Wimbledon (Stephen Hammond) demonstrates that we need to do more work before spending 17 billion quid of taxpayers' money. If some reports say one thing, and others say something else, where is the fundamental, independent, root and branch economic analysis of existing high-speed rail systems in other countries around the world? I genuinely do not believe that what HS2 and the Department for Transport published represents that.

Stephen Hammond: Will my hon. Friend say who would satisfy his classification of independence?

Dan Byles: I am delighted that the Transport Committee has said that it would look at the matter. I have the greatest respect for the Select Committee system in the House, and I hope that the Transport Committee will take an independent view of the various economic evidence.

The fact is that there are high-speed rail systems in operation throughout the world, and some of the evidence from some of those systems suggests that the claims being made for high-speed rail's ability to regenerate regions are questionable. I have not yet seen a fundamental or overarching review and analysis of existing systems. We can physically look at them, and measure the numbers and the impact, and some of those numbers are negative. We must discuss that, and analyse the figures before we spend the money.

Damian Collins (Folkestone and Hythe) (Con): I am interested in my hon. Friend's core argument that high-speed rail may suck economic growth from the regions, because that seems to run contrary to what most people lobbied for—greater speed of connection to the capital. Most places in the regions that have travel times to London of one hour or less market themselves heavily on the basis of the shorter journey time. They see it as a positive advantage, and that seems to run contrary to what the academics in Barcelona are saying.

Mr Charles Walker (in the Chair): Order. I do not want to impede debate, but a huge number of hon. Members want to speak this afternoon.

Dan Byles: I will sum up with a quote from the conclusion of the report from the university of Barcelona, which looked at five high-speed rail systems around the world. It states;

"Finally, the economic impacts of HSR are somewhat limited. The largest cities in the network might receive limited gains, but this is not the case for intermediate cities, which might see economic activities being drained away and suffer an overall negative impact."

The report is not definitive, but before we spend £17 billion of taxpayers' money, the issues raised in it should be addressed. I will be delighted if the Transport Committee looks at that, and I shall certainly send it a copy. We must thoroughly understand what we are doing, because we could do untold damage to our country at very great cost if we do not get it right.

Mr Charles Walker (in the Chair): Order. It is not within my powers to impose a time limit on debates, but hon. Members could look at the huge number of colleagues who want to speak and do the mathematics themselves—it is about six minutes each.

3.37 pm

Frank Dobson (Holborn and St Pancras) (Lab): I declare an interest as the representative for King's Cross, Euston and St Pancras stations, and as a member of the National Union of Rail, Maritime and Transport Workers—I pay it a subscription; it pays me nothing. I do not apologise if I seem nimbyish. I understand that the Secretary of State has attacked people for being nimbys, but 350 to 360 people in my constituency face the demolition of their homes, and "nimby" does not

cover that. For many of my constituents, it is not "not in my backyard", but "not in my front room". My job is to try to represent them.

The proposed 50-metre extension to the west of Euston station would involve, in addition to knocking down people's homes, concreting over a small park and preventing the proposed rebuilding of Maria Fidelis convent school. In addition to the formal extension, all sorts of changes would be needed to the approach roads. There would have to be provision for off-station taxi ranks and all sorts of other things, which would involve further demolition outside the lines that have so far been drawn on the map. My opposition started with those points, and I make no apology for it.

However, the more I look at the proposals, the more doubtful I have become. Let us assume that High Speed 2 is a good idea. Even if it is, it is not a good idea to have Euston as the terminus. It has no connection with the Heathrow Express, and never will. It will have no connection with Crossrail, and it has no connection with High Speed 1, so it is not well connected.

Tony Baldry: I seek information, as I am now totally confused. Will the right hon. Gentleman explain to the Chamber what the connection is between HS2, Heathrow airport and Crossrail?

Frank Dobson: As I understand it, because Euston does not have a connection to Heathrow Express and Crossrail, it has been necessary to propose a parkway station at Old Oak Common that will have connections to those lines. That additional expense could otherwise have been avoided. As a result of the inadequacies of Euston, the parkway proposition for Old Oak Common—alias Wormwood Scrubs—had to be added to the proposal. Instead, the line could be brought into Paddington station, which already has links to Heathrow Express and will be on Crossrail. When I pushed that point, people from High Speed 2 said that Paddington could not cope with the number of passengers. Paddington has as many tube connections as Euston and, as I have pointed out, it will link to Heathrow Express and Crossrail. That excuse for not using Paddington appears to be of little relevance.

Kelvin Hopkins: Another point is that unlike Paddington, the Euston option would require expensive tunnelling to get through London. Once Crossrail is built, Paddington will have extra capacity for a platform for HS2, were we to go ahead with it.

Frank Dobson: I entirely agree with my hon. Friend. Another point is the connection with HS1. We are told that great strategists with vinegar-soaked towels around their heads came up with HS2 as the first stage of a great, high-speed rail network. They seemed not to notice that they had not proposed a connection with the only existing part of the high-speed rail network, High Speed 1, which comes into St Pancras station.

Mrs Villiers: I assure the right hon. Gentleman that the mistake that the previous Government made in not providing for a link between domestic and international services has been remedied by the current Government; such a link is part of our plans.

Frank Dobson: I know the Minister is an optimist, but if she thinks I am going to leap to the defence of Lord Adonis, she is a super-optimist. There was no connection—oh dear, the great strategists clean forgot. Now they have bodged a connection. There will be a third bore—if hon. Members will excuse the term—from Old Oak Common, coming out at Primrose Hill. The tunnel will be bored in parallel with the other two tunnels coming into Euston, and will proceed along the North London line to connect to HS1. So far, no one has explained whether it will connect to HS1 through the HS1 line, or by going into the HS1 part of St Pancras station. Perhaps the Minister can elucidate, but I doubt it because I do not think the people at HS2 quite know what they are talking about. Something else that did not appear in the announcement is that the proposal is for that tunnel, and the bit on the North London line, to proceed only at conventional speed. It will be HS2, then a slow bit, then HS1—and we are still supposed to regard the people who came up with that proposition as a set of railway strategists.

When HS1 was being built, I recall that the people from Bechtel looked at the possibility of using the North London line as the route into St Pancras. They decided that the cuttings, embankments and bridges along that line were so lousy that it would be cheaper to bore through to St Pancras, which was a considerable distance. When I pointed that out to someone from HS2, they were unaware of that small and apparently irrelevant fact.

If we talk of strategy, we must look at the promises made for the high-speed rail network. People have been told that it will be a great network, and that we will continue it further north. Under the strategy, the line will split at Birmingham and part of it will go to Manchester and eventually to Glasgow. In the east it will go first to Leeds and then to Newcastle and Edinburgh. The proposal is for the line to get as far as Birmingham by 2026. I, however, am confident enough to make two forecasts of my own about the London to Birmingham line. First, it will not be in operation by 2026, and secondly it will cost more than the present estimate. I am willing to take bets from any hon. Members present at the end of the debate. If I lose, they will no doubt have to pursue my grandchildren for the debt.

I do not pay attention to the prognostications, if there are any, about the likely weight of traffic on the route, or what the scheme is likely to bring in. As my hon. Friend the Member for Coventry North West (Mr Robinson) said, if the Office for Budget Responsibility cannot come up with a suggestion for what is likely to happen at the end of the current year, there are slim chances of anyone—whether for, against or doubtful about the project—coming up with an accurate prognostication about what will happen in 2025-26 or, in the case of Leeds and Manchester, 2035 or 2040. Then there are Glasgow and Edinburgh. My grandchildren, who now reappear in this story, are likely to go on the train from London to Glasgow using their senior railcards; that is the time scale we are talking about.

David Mowat: The right hon. Gentleman speaks well about the difficulties in forecasting, particularly far into the future. That is why it is extremely important that the business case for the scheme is based on a conservative estimate. Does he admit that while long-distance rail travel has increased by 5% per annum over the past

15 years, in its business case, the Department for Transport has put that increase at 1.4% over the next decade or so? That is pretty conservative.

Frank Dobson: I do not wish to be rude, but the only thing to add to the hon. Gentleman's contribution is, "Or I will eat my hat." I do not have the faintest idea which of those estimates is true, and the odds are that neither will prove true. He knows that as well as I do. We should not be whacking in all this money on the basis of estimates that nobody can back up. All we are really faced with is the proposition that we should support a fast shuttle between Birmingham and London.

Angie Bray: Will the right hon. Gentleman give way?

Mr Charles Walker (in the Chair): Order. We are now in the 11th minute of the right hon. Gentleman's speech. If hon. Members wish to speak they should stop intervening. If they do not want to speak, they can continue to intervene.

Angie Bray: I will be very brief. The right hon. Gentleman's case seems to be that we should never do anything on the basis that we might not be absolutely certain about it. Sometimes projects have to be started. If we never start a project, we will never get any progress.

Frank Dobson: I will finish on that point. I was always a strong supporter of the channel tunnel and the channel tunnel link. When the same preposterous railway strategists came up with a proposal to place the terminus for High Speed 1 in a cave under King's Cross station, I was among those who led the opposition to that and proposed St Pancras station instead; we were not entirely nimbyist. Whatever anybody says, that has been a brilliant success. I do not believe that the people who come up with these proposals have done the work properly. If we are to have a proper high-speed network, this is the last way and last place in which to start it.

3.49 pm

Iain Stewart (Milton Keynes South) (Con): It is a great pleasure to speak under your chairmanship, Mr Walker. I add my congratulations to my hon. Friends the Members for South Northamptonshire (Andrea Leadsom) and for North Warwickshire (Dan Byles) and to other right hon. and hon. Members who lobbied for the debate.

I wanted to speak for three reasons. First, I have a long-standing interest in the subject. One reason why I came into politics was to help shape the big strategic decisions that we have to take as a country. I do not want us to look back in 30 or 40 years and realise that we have made the wrong decision.

Secondly, I have a local, constituency interest. My Milton Keynes seat is not on the proposed route for High Speed 2, but it could benefit from the knock-on effects that High Speed 2 would deliver in freeing up capacity on the west coast main line for both commuter services and longer distance stopping services. Anyone who wants to commute from Milton Keynes in peak hours will know that we are severely overcrowded. My other local interest is that although the line does not come through Milton Keynes, it comes close enough for me to have a real understanding of the fact that communities

[Iain Stewart]

along the line of route will be severely affected. We should not just dismiss the concerns of local residents as though they were Lady Ludlow in "Cranford" objecting to the coming of the railways. They are real communities with real concerns about the impact of the line.

Thirdly and most significantly, I am a member of the Select Committee on Transport and we have recently agreed to conduct a strategic inquiry into high-speed rail. It will not relate specifically to this line of route, but look more widely at the strategic cases for and against high-speed rail in the United Kingdom. I can genuinely say that I will consider all the arguments and evidence objectively. If the strategic case is not made or the detailed plans do not meet the strategic need, I will not support them. However, my starting point is to give high-speed rail in the United Kingdom a fair wind.

As my hon. Friend the Member for Skipton and Ripon (Julian Smith), who is no longer in his place, and my hon. Friend the Member for Warrington South (David Mowat) have mentioned, the other countries that have developed high-speed rail networks—Spain, Germany, France, China and Japan—cannot all be wrong. Yes, there will be differences of detail, but they cannot all be wrong, so we must give high-speed rail a fair wind.

It is clear that we need additional north-south rail capacity in the United Kingdom. Anyone travelling on the west coast main line knows that. I will not go into the detailed arguments now, because of the time constraints. Upgrades could be made to that line and to the east coast main line. There is the Rail Package 2—RP2—project. There are measures such as lengthening trains, improving signalling and removing some of the pinchpoints. All those things can and, I would argue, should happen, but I fear that that is not the complete answer. Those upgrades would buy time. If the High Speed 2 proposals went through, the first trains would start running in 2026—15 years from now. The upgrades to the classic rail network would buy us time over those 15 years, and they should happen, but we need to consider what comes next, because I fear that the upgrades have a finite capacity. This is not an either/or situation; we need to consider both.

The nub of the issue is this: what long-term strategic capacity do we need on our railways? I hope that in the course of our investigation in the Select Committee, we will be able to test robustly the likely demand in respect of freight and passengers, for both inter-city and commuter journeys. All the evidence is that there will be upward pressure, but we need to test that robustly. We also need to consider whether High Speed 2 will be active or passive in meeting that demand. Do we simply assume that that increase in demand will happen, or is there a finite point at which, without any other economic change, a total number of journeys will be reached? In my view, it should be active in looking at how high-speed rail can stimulate economic growth.

My hon. Friend the Member for North Warwickshire referred to the university of Barcelona, but there are also many other studies. I draw right hon. and hon. Members' attention to the work of Professor Roger Vickerman of the university of Kent, who has written widely on this subject and gave evidence to the Transport Committee in a separate inquiry that we conducted into

transport and the economy. I will not summarise all his work—it is very detailed and complex—but one of his findings was that the issue is not just putting in a new line. That in itself will not be enough. It is what else happens, connecting towns and cities around the sites of the termini—the extra capacity and the linkage that go in there. That makes a difference.

Damian Collins: Of course, my constituency is at the end of the High Speed 1 network. I do not think that we would find anyone in east Kent who does not see the High Speed 1 connection as a catalyst for further economic regeneration that will be delivered for many years to come.

Iain Stewart: My hon. Friend makes a very important point. We need to consider that broader strategic case. Yes, we are considering the first phase, from London to Birmingham, and then the second phase, the Y shape, to Leeds and Manchester, but we need to go further than that. We need to consider the case for connecting this to Scotland. Recently, I was at a launch jointly held by the leaders of Glasgow and Edinburgh city councils, who have proposed that as well as building from south to north, we should build from north to south. We need to ensure that we consider the case for connecting the airports and for freeing up capacity on the classic lines to ports so that increased freight can be transferred there. All those lessons can also come from abroad to influence our considerations here.

I come now to the environmental points. Again, we need to consider what has happened abroad. The proposed high-speed line will have an operating speed of 250 mph, which is a significant increase on the operating speeds of most high-speed lines in the country. I urge caution on that point. Let us consider Japan, for example. The new generation of the Shinkansen or bullet train can operate at about 250 mph, but it is being limited in its speed because of noise pollution concerns.

I would need to dust down my physics textbooks from school to go into the detail, but there are concepts such as tunnel boom noise—if a train operates at such a high speed, it creates additional noise pollution that does not affect conventional TGV lines. We need to consider that. It is significant because some of the possible routes for High Speed 2 have been ruled out by the 250 mph operating speed. That has to do with the curvature of the line. If we conclude that we can operate a high-speed network at a lower speed, at about 180 or 190 mph, we open up the possibility of looking at the high-speed line following the line of route of an existing transport corridor—perhaps the M40, the M1 or the M6. We need to consider all those points.

I am conscious of the time; I know that many other hon. Members want to speak. The point is that we need to consider all the arguments carefully. This is one of the biggest and most significant transport infrastructure projects that we have had to face for a generation. Get it right and we will have a world-class transport system in this country. Get it wrong and we will have wasted billions of pounds and disrupted many communities without having proper gain from it.

3.58 pm

Mr Andy Slaughter (Hammersmith) (Lab): I am glad that we are seeing all-party support as well as opposition to High Speed 2 today. I believe that the UK needs and

deserves high-speed rail. Notwithstanding the comments made by my hon. Friend the Member for Coventry North West (Mr Robinson), I wonder who now regrets the building of High Speed 1 or the channel tunnel. Crossrail was a very difficult project to get through. Again, it affects my own constituency. The Thames tunnel is another one of those major infrastructure projects that this country used to be well known for, and used to have the courage to go ahead with, but which we are now seen to be fearful of pursuing. Unfortunately, the spirit of Brunel does not seem to have infected many of those on the Government Benches.

Why should the benefits of high-speed rail, whether as an alternative to air travel, as something that provides commercial benefits for trade or simply as a more civilised way for people to get around and meet friends and relations, be restricted in this country? Why should people in this country be restricted simply to getting to the continent and getting beyond that? Unlike my right hon. Friend the Member for Holborn and St Pancras (Frank Dobson), I would praise the contribution of Lord Adonis. He took it by the scruff of its neck and pushed it forward. I shall resist praising the Secretary of State, because I may be lynched if I mention his comments to *Metro*. He said:

"There is not much more to their argument than Nimbyism. I hear lots of arguments about whether the country can afford it, value for money and the business case. But 95 per cent of these arguments come from people who just happen to live in Wendover, Aylesbury or Amersham."

I suspect that invitations to the Secretary of State for constituency dinners are rather fewer; perhaps that is why he said what he did. I rarely disagree with my right hon. Friend, but I do on this occasion. I have never before heard Shepherds Bush described as a parkway.

I visited the site of the Old Oak interchange two weeks ago; it is in the north of my constituency. It is a large brownfield site that has always been railway land, and it is a wholly suitable location. There will be six new platforms for High Speed 2, and eight new platforms for the Great Western line, Crossrail and the Heathrow express—and, indeed, the direct link to High Speed 1. It seems entirely sensible to put the interchange just outside London; it is only a few minutes away from Euston but it gives a direct link. It will be the UK's major rail interchange, and it is a sensible place to put it.

Tony Baldry: It seems that the hon. Gentleman does not have any constituents whose homes will be demolished. Does his speech not reinforce what Lord Adonis said—that with the HS2 project everyone wants the stations but no one wants the track?

Mr Slaughter: I shall say a word in favour of nimbyism in a moment.

Yes, it is true that my constituency will suffer no loss of property, and I am obviously delighted by the fact. Indeed, 5,000 jobs and a minimum of 1,600 homes will be created by the new infrastructure. It will be a positive development in one of the most deprived areas of the country—White City, Shepherds Bush and Old Oak. I should say that I live five minutes from there, but it will put my constituents 10 minutes from Heathrow and just over 40 minutes from Birmingham. These are the sort of projects of which the country used to be proud, and it

used to seek mitigation for them rather than avoiding them altogether on the basis that such decisions are difficult to make.

Having said that, I believe that the project is good not only because the route and the interchange have some parochial benefit but because they give direct access to the Great Western line, Crossrail, the Heathrow express and HS1 just a few minutes outside central London. That is an improvement.

I have two caveats for the Minister, if she will take the advice. First, the Government need to look for friends wherever they can, but they have not done that so far. Last year's debate was on 11 March, almost a year ago, and the Minister was then Opposition spokesman. Her aggressive stance rather belied the fact that she supported the announcement made by Lord Adonis. Her questions then are ones that she could answer today. She asked:

"Will they match our commitment to start work immediately on taking the line beyond Birmingham to Manchester and Leeds as part of stage 1?...Why will they not match our commitment to start construction by 2015? What guarantees can they give that fares will be kept within the reach of ordinary families on modest incomes?"

Those are all questions that the Minister might want to answer today. Rather churlishly I thought, she then said about Old Oak:

"Although we do not rule out use of that site for dispersal, the idea that some kind of 'Wormwood Scrubs international' station is the best rail solution for Heathrow is just not credible."—[*Official Report*, 11 March 2010; Vol. 507-08, c. 450.]

I remind the Minister of this every time the subject comes up, and I know that she is happy to eat those words.

Mrs Villiers rose—

Mr Slaughter: I shall give way in a moment. So that bygones can be bygones perhaps the Minister will say, "I would be delighted if it was called Wormwood Scrubs International" when she comes to open it.

Mrs Villiers: It would be a pleasure. I hope that the hon. Gentleman is aware that the Government's proposals include a direct link to Heathrow as part of phase 2 of the project.

Mr Slaughter: Absolutely, but that was always in Lord Adonis' mind. The report that he commissioned from Lord Mawhinney clearly said that Old Oak was an appropriate, good-quality terminus and connection point to the airport, and pointed out that the Conservatives' previous scheme of having the interchange at Heathrow would cost between £2 billion and £4 billion more; he effectively rubbished that scheme in favour of the Adonis project, which is what we have gone back to.

As I say, we should let bygones be bygones—except for this point. When the Secretary of State launched the scheme on 20 December, he made a statement in the House without presenting Members with plans and documents, so we were entirely in the dark. He went to Old Oak and launched the scheme that morning, giving notice to everyone, including the Conservative party, but not the constituency MP. The Minister and HS2 are rather short of friends at the moment, and they should look to cultivate people a little more if they wish to continue to have them speak out on their behalf.

[Mr Slaughter]

As far as I am aware—other Members may have seen it—there is no HS2 briefing for this debate. I had no correspondence until I approached HS2 about a visit to the site. The consultation is not adequate. The only consultation for my constituents is to be held at the Westfield shopping centre, which is a long way from the site and an entirely inappropriate location, for one day; it happens to be tomorrow. If the Minister has some influence, she could take the message back to High Speed 2 that it is not making friends through its their approach.

A more serious point is this. Notwithstanding what I said in response to the hon. Member for Banbury (Tony Baldry) about the effect on individual constituencies, mitigation will be the key to the project's success. That applies to my constituency, as much of the tunnelling will take place from the Old Oak interchange. When it comes to the disposal of spoil, the road network in the area is entirely inadequate given the traffic that will be generated. We may not have anything quite like the Chilterns in Shepherds Bush, but we do have Wormwood Scrubs. It is a large open space that is ecologically sensitive, and I have been protecting it not for years but for many decades. If HS2 and the Government wish to have, if not their support, then at least the acquiescence of hon. Members, they need to go a lot further.

Stephen Pound: I shall be very brief, as I know that my hon. Friend is reaching the end of his peroration. I know that people are listening, as ever, to his words with great interest, but does he agree with Councillor Ed Rennie of Perivale, who says that it is ludicrous to hold the HS2 consultation that affects Perivale in Greenford, and would it not be better to hold it in Perivale? That is very much in line with what my hon. Friend said about the vast echoing distances between Wormwood and Westfield.

Mr Slaughter: I can only say that if I could end all my speeches with a quote from Perivale I would be a much greater orator.

Mr Charles Walker (in the Chair): Colleagues seem to have a fairly elastic idea of six minutes, but six minutes is a good idea.

4.8 pm

Tony Baldry (Banbury) (Con): We are all agreed that we want the UK economy to grow, and that we want a greater rebalancing of the economy. That means giving more impetus to the regions. We are all agreed that we want to reduce internal aircraft flights so as to reduce carbon emissions. The question for the House is whether spending the same, or even a lesser, amount of money than is proposed for HS2 in other ways would give us the same or better policy outcomes.

The right hon. Member for Holborn and St Pancras (Frank Dobson) was right to say that the policy was put upon us, fully formed and out of the blue, shortly before the general election. This is the first debate in which the House has had the chance to give intensive scrutiny to this multi-billion pound project. That puts an enormous responsibility on the hon. Member for Liverpool, Riverside (Mrs Ellman) and the Select

Committee on Transport; on behalf of the House, they have undertaken to inquire into HS2 and the alternatives. We all need to look to the Select Committee to carry out an independent and objective inquiry. One thing that I have learned in my time in the House is that when both Front-Bench teams are in agreement, the Back Benchers have to start counting the spoons. It is always dangerous when both Front-Bench teams are in agreement.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): The inquiry being undertaken by the Transport Committee is of a strategic nature. Its terms of reference have been set out, and I would not want there to be any misunderstanding about the scope and nature of the inquiry.

Tony Baldry: I understand the exact terms of reference. In holding a strategic inquiry, the hon. Lady and her Committee are doing the House a great service, because the earliest that the House could consider this matter otherwise would be in the hybrid Bill Committee. Such are the curious rules of the House that many of us would not be able to submit evidence to that Committee. This is exactly the time when we need a strategic inquiry into the principles of HS2 and the alternative. As I said, when both Front-Bench teams are in agreement, there is always a danger that things can get overlooked.

Let me explain how it is possible for our country, in its understandable desire to incorporate and embrace what was in the 1960s called the white heat of technology, to get things really badly wrong. More than 20 years ago, my first job in Government as a junior Minister was helping John Wakeham to privatise the electricity industry. Part of my brief was responsibility for nuclear power. We had to consider whether we could incorporate nuclear power within the privatisation. I could not understand why no one had thought of the contingent liabilities of decommissioning the nuclear power stations and the cost of nuclear waste. I will not detain the House, save to say that I went back and looked at the ministerial papers and press cuttings of some 20 or 30 years previously, when nuclear power stations were first being built. No one, either in government or outside, had given any proper consideration to the costs of decommissioning nuclear power stations, or of storing and disposing of nuclear waste.

We are all here representing the taxpayers. I think this is the first debate in Westminster Hall at which Mr Speaker has thought it appropriate to be present. It was also telling that for quite a long time my hon. Friend the Member for Isle of Wight (Mr Turner) was in his place. Unless I have badly misunderstood the routing of HS2, it does not affect Isle of Wight strategically, either in a nimby way or any other way. He was here, as we all are, representing taxpayers and the national interest. This is a project that will cost billions and billions of pounds. If we get it wrong, we get it seriously wrong. We all have a collective duty to get it right, so far as taxpayers are concerned.

I do not pretend to be a rail engineer. I do not pretend to know or to be able to make a value judgment on the benefits of HS2 versus the benefit of the Atkins or other reports. I hope that the Transport Committee and others will start to give some independent and objective analysis of that. I hope that they will pick up the rather important point made by the right hon.

Member for Coventry North East (Mr Ainsworth), with a little prompting from me: the scheme could have a detrimental impact on parts of the regions. Birmingham might benefit from the line, but Coventry might not; Leeds might benefit, but Wakefield might lose out. All those things have to be properly assessed.

This is not a debate that can be dealt with in set-piece forums such as this. We are talking about an issue that the country will live with for years and years. It behoves Parliament to get it right, and it behoves us, as Back Benchers, to ensure that the structures of the House, and especially the Select Committee, subject the project to the intellectual rigour and investigation that it needs, so that present taxpayers and future generations get the right answers.

4.15 pm

Thomas Docherty (Dunfermline and West Fife) (Lab): It is a pleasure to serve for the first time under your chairmanship, Mr Walker. The hon. Member for Banbury (Tony Baldry) suggested that when both Front-Bench teams are in agreement, we should count the spoons. Given that I broadly agree with him, I am not sure what we should be counting. Hopefully, as a member of the Transport Salaried Staffs Association and a former Network Rail employee who worked on a number of civil engineering and major projects, I will bring something to this debate.

The past 30 years of rail infrastructure projects in the UK have been somewhat chequered. There are some great successes: we have reopened a number of rail lines; reconnected communities; and brought social and economic benefits to large parts of the United Kingdom, and a permanent link to mainland Europe. Those are, I hope, benefits in everyone's eyes. However, we have had some significant failures in those rail projects. Each one has been over budget, if we look at what the politicians claimed originally and the actual bill the taxpayer received. Many require ongoing subsidy and many communities have been blighted, including one in my area, thanks to the Stirling-Alloa-Kincardine railway.

The hon. Gentleman was right to make a point about budgets. This is not a party political point. The channel tunnel came in desperately over budget, and there has been talk about ongoing problems with High Speed 1. To look at a small-scale project, the Stirling-Alloa-Kincardine railway, which only involved the reopening of seven miles of track, went from being £20 million originally to £77 million when it was finally delivered, and compensation cases are still to be resolved. The Airdrie Bathgate project, which I helped to deliver, was £40 million when it was first mooted and £300 million when it was actually delivered. For that reason alone, I do not believe a single figure that has been bandied around for the cost of any section of HS2 and its successor projects.

If the line reaches Edinburgh, a whole new station would have to be constructed, because Edinburgh cannot take high-speed rail. The current station is right in the city centre and there is no capacity left for any more track or platforms. That means that a whole new set of connecting track would need to be laid from the parkway station that would be required to the network, and those costs have not been worked out.

The question is: who benefits from high-speed rail? It only works if it travels great distances between stops. It needs to get up to high speed to make the time savings. This is a blindingly obvious thing to say, but every time we add a stop, it adds several minutes to the journey. That is not just because the train has to slow down and pick up speed again, but because passengers have to get off and on the train.

I hope that the Minister will learn from successive Ministers, both in Scotland and elsewhere in the UK, that leadership is required. When a route is set out, she must not give in to the very eloquent lobbying that she will get from many Members who will say, "Of course I support it, but you need to add my local area to it." The line can only work if it is genuinely high-speed and connects only the great conurbations. I doubt that either Warrington or even Carlisle will qualify on those grounds, despite the eloquent cases that will be made for them.

The Minister must recognise that we need to have rolling stock in place before we start to build. One of the great reasons for the failure of the Edinburgh airport rail link was that Ministers in Scotland tried to build a rail link under a live airport without any clear sense of what the rolling stock would actually look like. For instance, for safety reasons, it is impossible to send a diesel train underground, and a whole network would need to be electrified. That project floundered because it was impossible to find suitable rolling stock that worked anywhere in the world. One of my great concerns about High Speed 2 and its successors is that I have not heard a clear articulation of what the required rolling stock is. Perhaps when the Minister responds to the debate she can say whether the Government have identified suitable rolling stock that actually exists somewhere on track, rather than on paper.

I sound a final note of caution about the independence of the business case. The Minister is fully aware of the ongoing dispute between the TSSA and Network Rail, which she has been helping to mediate. That dispute is about the past leadership of Iain Coucher, the former chief executive of Network Rail. I do not wish to detain the House, but there are some very serious concerns about Mr Coucher's financial practices and about why he has spent so much taxpayers' money lobbying for a high-speed rail project. I hope that the Minister will give a cast-iron guarantee that Mr Coucher and his associates will play no part in the delivery of high-speed rail, if and when it goes ahead.

In conclusion—I am trying to stick to your six-minute limit, Mr Walker—there are five key things that the Minister must demonstrate for this project to go ahead. First, there must be robust and independent analysis of the business case and the time savings. Secondly, clear leadership must be given on delivery. Thirdly, there must be no compromises on stations once the route is set out. Fourthly, there must be rolling stock that actually exists on track somewhere, rather than in someone's head. Fifthly, there must be honesty about ongoing costs for the subsidy of the line of route and the rolling stock.

Mr Charles Walker (in the Chair): I call Graham Evans. Six minutes.

4.21 pm

Graham Evans (Weaver Vale) (Con): I am grateful to you, Mr Walker, for calling me to speak. It is a pleasure to serve under your chairmanship.

[Graham Evans]

First, I want to congratulate my hon. Friend the Member for South Northamptonshire (Andrea Leadsom) on securing this debate. I know that this issue is a major concern for her constituents and she is an extremely diligent campaigner who serves them well. I also regard her as a much-valued colleague.

I have been very keen to have the opportunity to debate the plans for high-speed rail. Indeed, just last month I called for this debate so that Members would have the chance to take on the misinformation that has been spread by the alliance of luddites and nimbys who oppose the plans. It appears that my comments sparked outrage in some quarters and I am truly sorry for that. I did not intend to cause offence. My only aim was to describe accurately the opponents of High Speed 2 and I firmly believe that my description of them was accurate.

That belief was compounded after I was bombarded by letters from furious people. Curiously enough, they all live very near to the proposed route for HS2 and many of them wore the "nimby" label unashamedly and with pride. Having said that, my favourite of those letters said:

"I am not a nimby, I just don't want a railway line built near my house."

Other letters suggested that northerners should be grateful that they already have a railway line and a motorway, and should stop complaining.

I could joke all day about the ridiculous comments made by nimbys, but on a serious note it is worrying when a very small group of people from a tiny slither of one of the wealthiest areas in the country seeks to thwart a major infrastructure project that would be of huge benefit to the whole country and that was a manifesto promise of all three main parties, which received a combined 88% share of the vote at the general election.

The nimbys are attempting to thwart the project by peddling a series of myths. First, they are trying to present the debate about high-speed rail as a false choice. They claim that, instead of funding HS2, we should focus on improving rail capacity, but the high-speed rail link will free up capacity for existing commuter lines and, crucially, for freight on a network that is already overstretched. Network Rail supports the plans for that reason, saying:

"HS2 solves the capacity challenge".

That leads me neatly to the second myth, that doing nothing is an option. Our key rail routes are expected to be completely full in the next 20 years. Our international competitors are already ahead of the game and have invested heavily in high-speed rail. If we do not act now, we will be left behind and the long-term effects on our global competitiveness could be devastating.

Thirdly and most importantly for our nimby friends, let us deal with the myth that the proposals for high-speed rail will lead to the destruction of the countryside. The Government have rightly gone to considerable lengths to reduce noise and to minimise the number of properties that will be affected by the route. In total, 340 properties will be affected, 216 of which are in central London. Only 10 properties will suffer from high noise levels.

Next, let me answer those who claim that the business case has yet to be made for high-speed rail, despite conservative estimates that the project will have initial

economic benefits of £43 billion and will create 40,000 jobs. I have already touched on the importance of high-speed rail to our international competitiveness, which is very hard to quantify. However, the benefits to businesses based in my constituency and the rest of the north are very clear.

Dan Byles: Does my hon. Friend accept that, in less than 12 months, the new business case has already halved the estimated economic benefit and that that does not give us a great deal of confidence in the business case as it stands, including the figures that he cites?

Graham Evans: I am most grateful to my hon. Friend for his intervention. Varying and conflicting figures are bandied around, but there is a fundamental issue that was mentioned earlier. These train stations will not be built and these train lines will not reach my constituency until the 2020s. I have a young family and I am thinking of the futures of my children and my children's children. It is very important that we make these very difficult decisions now. We could argue all day about conflicting figures, but it is very important that we push ahead with this project, which is important for our country's future, including that of our children and our children's children.

High-speed rail gives businesses the gift of time. Anyone who has a business background, as I do, knows the truth of the old saying, "Time is money". In this case, that means more than slashing travel times to less than 80 minutes between Manchester and London. Neil Stephenson, the chief executive of a Newcastle-based IT firm, put it best in a recent article. He wrote:

"The failure of Britain's transport system translates into missed meetings, unexpected overnight stays, disappointed customers and frazzled staff. A quick, cheap, reliable train service means I can build a customer base in places our employees couldn't previously service without expensive hotel bills and missed night-time stories for their kids. And it means I can recruit from the high-end IT talent pools of London. These are tangible benefits that will help me build my business."

Angie Bray: Would the business case for high-speed rail be even better for some of the businesses up north if there was a stop on the main route at Heathrow? Part of the case that is made for extending high-speed rail up to the north is that business men who want to travel abroad and need to get to Heathrow could go on a train rather than a plane. Therefore, would it not be sensible and would it not make the business case even more persuasive if Heathrow was on the main route, which of course it was in some of the alternative proposals?

Graham Evans: I am most grateful to my hon. Friend for that very good point, but perhaps the Minister can answer her question in her summing-up.

Several hon. Members rose—

Graham Evans: If I may, I will make progress. I am keen to keep to the six-minute limit that the Chairman suggested, so that colleagues can have their say.

Chris White (Warwick and Leamington) (Con): Will my hon. Friend give way very briefly?

Graham Evans: Okay. My hon. Friend has persuaded me.

Chris White: I thank my hon. Friend. He mentioned the business man in the north who wants to recruit high-quality IT talent. Does he not think that that high-quality IT talent might be using the internet rather than wanting £34 billion of money to be spent on high-speed rail infrastructure?

Graham Evans: Well, I am sorry that I gave way to my hon. Friend. *[Laughter.]* I can only go on what business men in the north of England are saying and it is true that markets in the south-east of England should be open to the whole of the UK. That is why many high-profile business leaders have backed high-speed rail and why it will help to reduce the north-south divide. My colleague from Yorkshire, my hon. Friend the Member for Calder Valley (Craig Whittaker), is no longer in his place but he made that point earlier.

There are many reasons why the south is more prosperous than the north, but one of the most obvious is the south's proximity to our major trading markets in Europe. High-speed rail allows us to close that gap between north and south, and to bring our country closer together. I am therefore very proud to support the Government's high-speed rail plans and I also praise the previous Labour Government and Lord Adonis in particular for the important steps that they took.

Having said that, I am increasingly concerned about the current Labour party and its position on HS2. The shadow Transport spokesman, the hon. Member for Garston and Halewood (Maria Eagle), has indicated that HS2 has been dumped by Labour, along with every other policy now that Labour has started again with "a blank piece of paper". Last week the deputy Leader of the Opposition, the right hon. and learned Member for Camberwell and Peckham (Ms Harman), said that most of Labour's cuts would come from holding back on capital investment. Some clarification is urgently required. If Labour were to oppose this once-in-a-lifetime investment in the north, I know that my constituents would never forgive them.

Let me conclude by saying that railways have always been a crucial part of Britain's economic prosperity. They drove the massive growth in living standards during the 19th century and created new opportunities for people from every corner of our country, but even then small-minded obstructionists stood in the way of progress who were not too dissimilar to those we have today. The ladies of Cranford eventually came round to the idea of the railway. I hope that the opponents of high-speed rail will also see the light some day, as our future economic competitiveness depends on high-speed rail.

Mr Charles Walker (in the Chair): It is very polite of you, colleagues, to take interventions, but if you continue to do so, you will deny other colleagues the opportunity to speak.

4.29 pm

Christopher Pincher (Tamworth) (Con): I shall adhere to your injunction to be brief, Mr Walker. I thank my hon. Friend the Member for South Northamptonshire (Andrea Leadsom) for securing the debate, and also my hon. Friend the Member for Lichfield (Michael Fabricant)—who is not in his place—for leading the charge to secure an inquiry from the Transport Committee into HS2.

I assure my hon. Friend the Member for Weaver Vale (Graham Evans) that I shall not invite him to any of my supper clubs in the near future. My constituents are not nimbys. I have spoken to several hundred of them over the past months, and I saw about 80 last Saturday. They tell me that if it can be demonstrably proven that the business case stacks up, if there are proper mitigations in place in their vicinity, and if they get fair and reasonable compensation for the loss they suffer, they will, through gritted teeth, accept the proposal. The trouble, as we have heard today, is that the business case has not been proven, mitigations are not yet known—the route was announced last December but in the Tamworth area we are still waiting for a roadshow, which we will not get until June—and, although we have had hints about compensation for blight, we still do not know anything about what we might get. People are understandably very concerned.

I will not dwell on the value side of the business case and the holes that have been found in it during the debate, because my hon. Friend the Member for South Northamptonshire has already done that very eloquently, as have other Members. However, let me say this about it: the net value ratio, which has been significantly reduced by HS2 Ltd—so it accepts that it is wrong—still uses as its basis for generating demand the Passenger Demand Forecasting Handbook, version 4.1, which Sir Rod Eddington has said is out of date, uses incorrect views on saturation of demand, future technological advances and competition that might affect demand, and that we should be using version 5.0. I look forward to my right hon. Friend the Minister's making it clear in her remarks that that particular handbook will be used to generate demand, and that HS2 Ltd will be directed to do its sums again.

I want to focus on the cost side of the business case. Other Members have pointed out that one should never believe a Government when they talk about how much they will spend on capital infrastructure projects. Phase 1 of HS2 has been identified as costing £17.1 billion, but phase 2, the Y-shaped link, adds a further £13 billion or so, taking the total cost to more than £30 billion. We have heard that those figures might be right—they might be wrong—but the fact of the matter is that some figures that do not appear in the cost side should be included.

One of those key figures is the cost of blight. From Eversholt Street down by Euston all the way up to Whittington, businesses and properties are blighted by the proposed railway. They are blighted now, because if people in those places manage to sell their properties, they will lose 30%, 40% or even 50% of the value, and stamp duty accruing to the Treasury will fall. That is not costed in the business case, but it means that estate agents and solicitors will do less business, and vendors' buying power will be reduced. None of that is in the cost side of the business case, and it ought to be.

Then we come to compensation. We have heard, and I have it in a letter—which I do not have in front of me, so I will not put words into his mouth—that the Secretary of State has indicated that the Government will look at innovative ways of providing some form of compensation. That needs to go into the business case, so that we know the true cost of the proposition, which I think could run into several hundred million pounds, further reducing the proposed net benefit ratio and further undermining HS2 Ltd's case for building the railway.

[Christopher Pincher]

I shall end here, as I am conscious that other Members wish to speak. I call upon the Minister to look again at the business case proposed by HS2 Ltd, and again, and more carefully, at Rail Package 2. There is still time for her to change her mind, and I hope that she considers doing so.

Mr Charles Walker (in the Chair): We have 30 minutes before I call the Front-Bench spokespeople and we have eight colleagues who want to speak, so do the mathematics.

4.35 pm

Chris White (Warwick and Leamington) (Con): There were some emotional comments earlier, and I shall try to avoid making any more in my remarks in opposition to HS2.

In my view, any project of this scale should pass three key tests. Can we afford it, how effective is it, and will it achieve the kind of return on investment that justifies the expenditure? As we all know, HS2 will cost about £17 billion for the first part of the line, rising to £32 billion in total. That is more than we plan to spend on transport in the whole of next year, and more than we will collect in council tax in England and Wales. It comes at a time when we have to make considerable reductions in public spending in, for example, policing and defence. Although I respect the fact that the project will be carried out over many years, we should not pretend that it is somehow not extremely large or extremely expensive.

The Department for Transport has said that the project is affordable. Its own website states, in answer to a question on affordability:

"The country can't afford not to invest in its future. All other major economies are pressing ahead with ambitious high speed rail plans - we cannot allow Britain to be left behind."

I recently visited India with the International Development Committee, and we talked about the space programme in which the Indian Government are investing. I do not see the Minister for Universities and Science, my right hon. Friend the Member for Havant (Mr Willetts) coming before the House to seek its support for such a programme so that we do not get left behind.

The Department for Transport also says that HS2 will cost only £2 billion a year, and that most of the expenditure will occur after the next election. That is a dangerous way to consider a project. Such an approach has seen Departments such as the Ministry of Defence end up with a £38 million spending black hole. Every project should be considered carefully, and the issue of cost not avoided just because it happens to fall many years in the future. Moreover, £2 billion a year is almost as much as we spend on the pupil premium, which could arguably do more for our competitiveness and productivity. Given the fiscal pressure that we are under and the number of schemes across the country that have to operate in tight financial circumstances, we should not so lightly throw around £2 billion.

The scheme's objectives have changed several times. When the Conservative party first articulated its support for HS2, it said that it did so because the project would ensure that a third runway at Heathrow would not be necessary. Then it was because HS2 would be good for the economy and for better connectivity. Now it is

because extra capacity is necessary, but how effective will HS2 be in achieving those goals? One of the biggest problems with the project, and part of the reason why the cost is so important, is that we cannot know for certain what good will occur because of the new line. We should be extremely careful in claiming benefits when we simply do not know exactly what they will be.

Nevertheless, we should for one moment consider the nature of the economic world in which we live. Hundreds of years ago, during the industrial revolution, the necessity of physical access to materials and workplaces meant that being able quickly to get from one place to another had a considerable economic benefit. It was due to the development of the railways that Britain could take such a lead over competitor nations, but these days another economic revolution has occurred—the internet revolution. Increasingly, people do not need to move from one place to another because they can work from offices that can connect people all over the world to share data and hold meetings. Video conferencing is becoming more and more sophisticated and cost-effective, leading companies to reduce their travel and boost their productivity. Goods are made in several different locations, with the design and manufacturing taking place in totally different areas. That movement leaves HS2 looking more and more like a relic of our economic past.

Increases in capacity are of course important, and I agree that we need to ensure that we can meet future demand and increase access for freight to reduce costs in the long term. The point is that capacity, not speed, will lead to increased economic benefits—the chairman of HS2 Ltd said so himself, publicly. Unlike countries such as France and Spain, which have created high-speed rail lines, we already have high levels of interconnectivity between our major urban areas; we are, after all, a relatively small island. Back in 2007, the Eddington transport study confirmed that to be the case. The Department for Transport accepted the study and its analysis. What is needed, therefore, is investment in our existing transport infrastructure to boost the capacity we so desperately need.

4.39 pm

Mr John Leech (Manchester, Withington) (LD): It is a pleasure to serve under your chairmanship for the first time, Mr Walker. I am delighted to have the opportunity to speak in this debate. As I am mindful of the time, I certainly will not take my six minutes.

This is a timely debate, given that the Transport Committee is about to embark on an inquiry into high-speed rail. I urge the many right hon. and hon. Members who show a keen interest in the issue to make their views known so that our inquiry can take them into consideration when reaching a decision on the strategic viability of high-speed rail.

To put my cards on the table, I have always been a big supporter of creating a high-speed rail network that not only connects Birmingham and the northern cities of Manchester and Leeds but goes all the way to Scotland and allows rail services from Scotland to compete with domestic flights. At the same time, I recognise that an infrastructure project of such size can create a great deal of controversy, and that it will have a terrible impact on some people who live along the line.

I certainly would not decry any hon. Member for doing their job in representing their constituents' concerns. Any infrastructure project of such a size will cause significant disruption and heartache for the people whom it affects. I have some sympathy with the right hon. Member for Holborn and St Pancras (Frank Dobson), given the impact that the project will have on his constituents.

In my constituency, the extension of the Metrolink is certainly causing a significant amount of heartache among many of my constituents who support the project on the whole but have problems with non-adherence to promises made before work was commenced. One can understand why some residents turn against schemes and have major concerns about their impact. That is why it is vital that clear and transparent decisions are made about the local environment and how it will be protected for the people most affected by the route, and that those decisions are stuck to. However, I certainly hope that high-speed rail will go ahead, and I will comment briefly on why I think it must.

By pressing ahead with a high-speed rail network, we can ensure sufficient rail capacity for the foreseeable future. Some opponents have argued that upgrading the existing main line networks would deal with any capacity constraints, but that would only address the problem in the short term. Ultimately, a high-speed rail network will inevitably be necessary. We must consider the next 100 years, not just the next 10. Some £10 billion has already been spent on upgrading the west coast main line, yet on 1 March, the new chief executive of Network Rail made it clear that the west coast main line would be at full capacity again within six to 10 years. In an answer to my question, he said that

"the West Coast line, within 10 years at the absolute maximum, and probably six years, will be at capacity, and that is with additional carriages included in the area. We can look at other tactical interventions in that line to put more capacity in there, but in the end it comes down to capacity: we will, across a number of key parts of our network, run out of capacity."

The chief executive of Network Rail is absolutely clear that even with extra costly improvements, the west coast main line will not have enough capacity to deal with the growth in rail travel. We need the high-speed network to accommodate future rail travel.

Competing services and franchises are already battling for space on the network. We in Manchester are lucky to have a good service to London. I suppose that I should declare an interest as a regular user of that service, including the 9 o'clock train this evening. Due to the success of the franchise, Virgin is considering extending the service to four trains an hour rather than three, but doing so would adversely affect both local and regional services, so the local integrated transport authority understandably opposes any additional trains on the Manchester to London service. The creation of a high-speed network will release significant capacity on the existing network, allowing the expansion of regional and local services that are completely constrained at the moment by the needs of longer distance services.

To add a word of caution, I hope that the Minister can put hon. Members' minds at rest about the impact of spending on high-speed rail. Many people have argued that we should not proceed with high-speed rail because it will result in a lack of investment in the existing network as all the money is diverted into paying

for the high-speed network. It is worth pointing out that the coalition Government have already shown a commitment to investing in rail infrastructure, despite the difficult economic times. Again, I welcome the announcement in the Budget of funding for the Ordsall curve in Manchester, which will have a dramatic impact on capacity and journey times, but I hope that she can assure us that high-speed rail will not get the go-ahead at the expense of investment in the existing network. I hope that she will make that clear in her remarks.

4.46 pm

Stuart Andrew (Pudsey) (Con): It is a pleasure to serve under your chairmanship, Mr Walker. I will try to be quick. I congratulate my hon. Friend the Member for South Northamptonshire (Andrea Leadsom) on securing the debate. I take a completely different view from her. As a supporter of High Speed 2, I am rather glad that Mr Speaker is not here, as I do not think that he would ever call me again.

This subject has been mentioned in numerous debates, but a specific, dedicated debate is long overdue. We lag behind other countries. France, Spain, Italy, Japan and China have the technology and show that it works. As we debate the issue, France is finishing its seventh line. As I see it, we have a lot to learn from those countries. Not to do so would be a huge mistake. Our increasingly slow, congested and unreliable system is in danger of slowing our economic performance. Sometimes, when I leave King's Cross station to go to Leeds, passengers are forced to stand up until Peterborough. Capacity is bursting at the seams. It threatens to increase the north-south divide. It is important that we consider the national as well as the local interest.

All sorts of figures have been bandied around in this debate. Some hon. Members claim that those figures are correct and some dispute them, but the economic benefits are suggested to be about £44 billion. The creation of 8,000 construction jobs and another 30,000 associated jobs is to be welcomed. It is a strategic investment that I believe will benefit Leeds and Manchester, and I am particularly delighted that the Government chose the Y option.

It is not true that the likes of Wakefield will not benefit. We are working on a city-region approach in Leeds, Bradford and other parts of Yorkshire. Many cities will enjoy the same benefits as Leeds. The project will reshape the economic geography of this country. High-speed rail will complement investment in the northern hub, which will allow faster and more frequent trains—an extra 700 a day—between cities in the north and could bring a benefit of up to £4 billion and 23,000 jobs to the region.

High-speed rail is not entirely a solution to the north-south divide, but it will go a long way towards solving the problem. *The Independent* said:

"All governments promise to shift national growth away from the south-east; high-speed rail is a policy that should help turn those good intentions into reality."

I agree entirely with those sentiments.

High-speed rail is also a solution to fast-growing demand on an already crowded network. Travel on the London to Leeds route is forecast to increase by 44% between 2006 and 2016. It is a pressing problem. High-speed rail will reduce travel times from London to Leeds by an

[Stuart Andrew]

hour to 80 minutes, a fact that I will probably try to keep from the Independent Parliamentary Standards Authority.

The journey time from Birmingham to Leeds will be reduced from two hours to an hour and five minutes. The east coast main line was closed when we had that bad snow over winter. I had to travel via Birmingham and then across to Leeds. It is a long and arduous journey, and it would be good to connect those two great cities.

I recognise the opposition that many of my right hon. and hon. Friends face in their constituencies. One action group has said that this is a

"vanity project for politicians who want fast trains for fat cats."

No, it is not. Members want to see benefits brought to their constituencies. This is something that we have needed in the north for generations. As the Secretary of State for Transport has said:

"Ironically the further north we get the easier it will get"

and

"people seem to understand more clearly the argument on jobs and growth."

We do, because we have had problems economically for years and this will help us to get there.

I also have a warning shot for people in the north, because we have been far too quiet. It is time for us to stand up and shout louder. It has been said recently that high-speed rail might be killed by apathy. I fear that that may be right, which is why I am speaking today. We must trumpet our support. I am delighted that the *Yorkshire Post* has gathered the names of politicians, council leaders and businesses as a call to arms to support the project. High-speed rail may do the one thing that we all thought impossible—unite Lancashire and Yorkshire in one voice.

4.51 pm

David Mowat (Warrington South) (Con): I congratulate my hon. Friend the Member for South Northamptonshire (Andrea Leadsom) on securing this debate. I shall start by agreeing with her on a few points, but, unfortunately, our paths will then diverge. We should not do high-speed rail just because the rest of the world is doing it. Just because every other country in Europe is forging ahead with this does not mean that we should—I accept that argument. We should not do High Speed 2 just because the business case for High Speed 1, and the reason why it went to St Pancras, was that it could be linked to the north. That should not be the reason why we do it. We should not do it just because of the carbon saved. As has been pointed out, the modal shift is quite small. We should not do it as cover for our plans in relation to Heathrow.

We should do it only if three conditions exist: the business case has to be robust; we must be satisfied that there are transformational benefits; and, on a cash-flow basis, it has to be affordable. My hon. Friend the Member for Warwick and Leamington (Chris White) has talked about that final point, and I shall address that first. Roughly speaking, the cost in cash-flow terms is £2 billion a year, which is a great deal of money. However, it is, roughly speaking, the same as we are

currently spending on Crossrail—I see the Minister nodding, which encourages me—and, by and large, it will start as Crossrail finishes. I support Crossrail and have no issue with it, but it is important that that point is understood.

We agree that the business case is vital, and this debate must centre on it. Some of the points that have been made about the business case during this debate are misinformed. Yes, there have to be forecasts of the future—that is what a forecast does. As I said in an intervention, rail usage has increased by 5% per annum over the past decade and a half. The business case upon which this project is justified assumes that it will continue to increase at 1.4% per annum. I agree that that might be too high, but it is certainly not radical.

The hon. Member for Coventry North West (Mr Robinson) made the point that the project is predicated on time savings. Yes, it is—it is a transport project and that is how we tend to justify such projects in terms of benefit. That is how Crossrail was justified and it will be how this is justified.

Another point is often made—I want to address this before it gets too much currency. We can work on the train these days. We have personal computers and so on, and are therefore productive. That is true and the business case does not properly take it into account. It does not take into account the fact that productivity of that nature exists and that, if someone is standing up on a crowded train, the losses are enormous. In fact, that precise issue is addressed on page 51 of the Department for Transport's business case. The fact is that the business cost ratio increases if productivity due to internet usage on a train is taken into account.

I want to put a couple of things on the record in relation to transformational benefits. We can take the Barcelona view or we can take other views. During an earlier speech, somebody said that the train might not stop at Warrington. I agree, but that is not the point. The point is that the North-West chamber of commerce believes that the scheme will bring £8 billion-worth of benefits to my region. Those benefits will accrue to Warrington in the same way that they will accrue to Banbury and—dare I say it—Northampton. Let us at least get that clear.

A recent report that KPMG produced for Greengauge 21 estimates that there will be an incremental, steady-state increase in jobs of 40,000 in the north and the north-west due to the scheme. That might not be right—I am pleased that the Select Committee on Transport is going to validate the numbers—but these are important transformational issues, and they must be taken seriously.

My hon. Friend the Member for Colne Valley (Jason McCartney) is signalling to me—I think he wants to speak next. This debate must not be tarnished by nimbysism and all that goes with it. It is more important than that and too important for it. I accept that the most vociferous opposition comes from those counties that are impacted the most. In all fairness, I live in Cheshire and it may well be that, when the next bit is announced, I will be a nimby as well. Members are entitled to respect their constituents. I want to put on the record that I discovered during my research yesterday that two of the consultants who represent one of the most influential rail action groups against the proposal both live in Great Missenden. It is important, as we evaluate the scheme, that we get it right.

Finally, mitigation is important and the hon. Member for Hammersmith (Mr Slaughter) has made some good points about it. We need to take it seriously, but it is not as important as the transformational benefits that may accrue from the scheme if it happens.

4.57 pm

Jason McCartney (Colne Valley) (Con): I am aware that I no longer have six minutes to speak, but that is, coincidentally, a thirteenth of the time that it will take to get from Leeds to London using high-speed rail. The Government have already done a lot to address the imbalance between the north and south, but I want them and colleagues to have the vision and ambition to crack on with high-speed rail. Across the north of England, Members of Parliament of all parties, civic leaders, the business community, higher education leaders and residents have all made clear that viewpoint. People have already referred to the *Yorkshire Post* letter, which was signed by 21 MPs from all three main parties, 14 council leaders and more than 50 major companies, including O2, Yorkshire Bank and Eversheds. The demand clearly exists, as those of us who have endured several hours of standing on packed trains when returning to our constituencies will know. I hope that I will not have to do that on the train back to west Yorkshire this evening.

The issue is about capacity as well. Even Network Rail says that it supports high-speed rail,

"because it is the best solution to meet the challenge of fast-growing demand on an already crowded network".

It forecasts a growth in passenger numbers of 44% by 2016. That time is near, so I hope that it is accurate.

High-speed rail will close the gap between the south and the north of England. It will boost competitiveness, create jobs and attract international businesses. At a time when we are seeking to demonstrate to the world that Britain is open for business, actions speak louder than words. High Speed 2 is the action that the north of England has needed for many years. The economic case is clear, the public desire is overwhelming, and the benefit to the region's economy cannot be understated. Without high-speed rail, we risk a two-speed nation. To remain internationally competitive, we cannot allow that to happen. I urge the Government to deliver for the north of England and to deliver HS2.

4.59 pm

Andrew Gwynne (Denton and Reddish) (Lab): I am pleased to contribute to this very important debate about the High Speed 2 programme. I suspect that I may be interrupted by a Division in the House. I congratulate Conservative Members and my hon. Friend the Member for Coventry North West (Mr Robinson) on applying to the Backbench Business Committee to allocate time for the debate. We have been provided with the opportunity to listen to the views, opinions and concerns of right hon. and hon. Members from across the House.

As mentioned, Labour in government set out a vision for a high-speed rail line running from London to Birmingham and on to Leeds, Manchester and eventually Scotland. I welcome the public consultation on High Speed 2 launched by the Government in February. They boasted that it would be one of the biggest and most

wide-ranging consultations every undertaken by a Government. We need to have a full discussion about high-speed rail, especially for the communities that will be directly affected by the construction of the line.

5 pm

Sitting suspended for Divisions in the House.

5.25 pm

On resuming—

Andrew Gwynne: Before I was interrupted, I was about to say that it is clear that a project of this size and scale will not be without controversy, which I shall come on to later. However, I certainly recognise the importance of increasing capacity and connectivity in rail, particularly in respect of the west coast main line and the Chiltern line. The previous Labour Government rightly assessed that improved transport capacity would be needed from the 2020s between our major cities, starting with the route from London to the west midlands, two of Britain's largest conurbations. The projections show that by then, the west coast main line will be at capacity. It is projected that, by 2033, the average long-distance west coast main line train will be 80% full, with routine severe overcrowding for much of the time.

Perhaps there will be benefits from some of the suggestions put forward by my hon. Friend the Member for Luton North (Kelvin Hopkins), the hon. Member for South Northamptonshire (Andrea Leadsom) and my hon. Friend the Member for Coventry North West and others, but I also understand the argument that the development of the 335-mile Y-shaped network would bring our major cities closer together and, as such, create the potential to boost investment and economic growth in the north. I would like to ask the Government how much extra capacity they anticipate high-speed rail will bring, and what estimates they have made of the modal shift from air travel that would result from the extension.

Labour remains committed to investing in a world-class rail system, and high-speed rail could have an important role to play in delivering it. That is why we began this process in government. As Members will know, Labour has just embarked on a fundamental review of all its policies, which is exactly what the Conservatives did after the Prime Minister became leader of that party. We will look at all areas of policy, and fundamental questions will be asked about how we can make transport more affordable and help to reduce inequality and increase social mobility.

Mr Leech: In the past, the hon. Gentleman has been supportive of the concept of high-speed rail to Manchester and beyond. Does he agree with the assessment of the new chief executive of Network Rail about capacity on the west coast main line?

Andrew Gwynne: Absolutely. As I have said, capacity on the west coast main line is of fundamental importance, and the issue must be resolved. We have to look at future capacity on rail lines and how we will deal with such issues. Clearly, everything will be on the table as part of our policy review, and we encourage as many members of the public as possible to get involved in our ongoing discussions, including those on both High Speed 2

[Andrew Gwynne]

and Rail Package 2; we need to study alternatives for viability as well. It would be unwise for any future support for high-speed rail not to be at the heart of that policy review when it involves a £30-billion commitment for future Parliaments. Perhaps the hon. Member for Weaver Vale (Graham Evans) will be interested in that. In the meantime, the Government will have our support as they move forward with the next stage of planning the route.

Clearly, there is concern about the hybrid Bill that the Government propose. The Opposition have real doubts about their commitment to taking the planned high-speed rail line beyond Birmingham, as Labour had planned. They have decided not to use the forthcoming legislation to do that. As I have said in previous debates, we will support the Government if they want to put powers in the Bill to extend the line to Leeds and Manchester.

I wish to turn briefly to interoperability. If we are to proceed with high-speed rail, we need to look now at ways to integrate it with the traditional rail network. We also need to look at how we can maximise the benefits for rail all over the country, including London-based projects such as Crossrail and Thameslink. How will we plan for the wider impacts of high-speed rail, to ensure that the benefits are shared in other parts of the network? For instance, can the Minister tell us how many more fast trains to London there will be from places such as Coventry, Liverpool and Sheffield as a result of released capacity from the HS2 line? In short, what will be the benefit to areas not directly connected by high-speed rail?

Kelvin Hopkins: The fundamental problem we have on many of our rail routes is old-fashioned signalling; it is 50 years out of date, or even longer. If we can get modern signalling with some of the money that could be saved, we could get many more train paths and much faster frequencies. That is the way to increase capacity on existing routes.

Andrew Gwynne: I share my hon. Friend's assessment of that issue. I know he made that case at a recent reception with ASLEF in the House of Commons.

I recognise that a lot of right hon. and hon. Members in all parties have concerns about high-speed rail. Those living near the proposed route have understandable concerns. I understand those hon. Members whose constituencies will be directly affected by the construction. Like my right hon. Friend the Member for Holborn and St Pancras (Frank Dobson), I do not know how sensible it is for the Secretary of State for Transport to refer to anyone who is against the scheme as a nimby, as he recently did in a newspaper article.

I also note that in *The Daily Telegraph* yesterday there was a letter signed by no fewer than eight northern Conservative MPs, saying:

"We urge the Government not to be blown off course by the protests of a minority in the home counties."

It seems unfair to intrude on the private grief of the Conservatives, not least because there are differences in our party, too. However, the previous Labour Government were always mindful that, in proposals for a route, there has to be an attempt to minimise local impacts while achieving the wider objectives. We need to ensure that

people are fully consulted about changes that will affect their area. I welcome the fact that the consultation is now under way, and will conclude in July this year. It gives those who will be directly affected by the construction route a chance to put forward their concerns and have them looked at, and I hope that their views will be taken seriously by the Government.

However, there are a number of questions that I would like to ask. What impact will the changes to the route, the additional compensation and hardship payments, and other commitments have for the £750 million allocated in this spending period? Can the Minister offer an assurance that there will not be a knock-on effect on other rail schemes already facing cuts and delays? In opposition, the Minister said:

"failing to take HSR through Heathrow would be a big mistake".

It is reassuring that she has, I think, now confirmed a direct link in the second phase. Perhaps she can give a bit more information about that.

My hon. Friend the Member for Dunfermline and West Fife (Thomas Docherty) touched on an important point. Will the Minister confirm whether the cost of the trains to run on the high-speed line has been included in the figures used for the costs of the scheme? Or, as with other schemes such as Crossrail, are they separate expenditure, yet to be identified?

One topic almost missing from the debate, although it was rightly touched on by my hon. Friend the Member for Hammersmith (Mr Slaughter), has been the likely cost of using the service. Surely if all taxpayers are to contribute so significantly to the cost of constructing the route, it cannot be a service with ticket prices outside the grasp of most people. What work has the Department done to look at anticipated ticket-pricing plans for high-speed rail? How much of the revenue raised by high-speed rail will be used on the high-speed rail line, and how much will be spent on conventional rail improvements?

To conclude, as I have said before, our policy review will be completely open-minded about all the transport priorities the country faces, and high-speed rail will clearly form an important part of our future discussion. In the meantime, we urge the Government to reconsider expanding the scope of the hybrid Bill to include powers to continue to Leeds and Manchester, so that preparations are in place to bring the potential benefits of high-speed rail to the whole country.

5.34 pm

The Minister of State, Department for Transport (Mrs Theresa Villiers): It is a pleasure to serve under your chairmanship, Mr Walker. This has been an excellent, high-quality debate, with some great contributions from hon. Members from all parties, and I congratulate them all. I congratulate the hon. Members who secured the debate: my hon. Friend the Member for South Northamptonshire (Andrea Leadsom), the hon. Member for Coventry North West (Mr Robinson), and my hon. Friend the Member for North Warwickshire (Dan Byles),

I welcome what seems to be qualified support from the shadow Minister; we are not quite sure where he is going on this matter. I reassure him that we are fully committed to taking high-speed rail to Leeds and Manchester. We were the first to champion that in opposition, and we continue to do so. In response to a

number of questions, let me say that work is under way on route and station options for the route north of Birmingham. HS2 Ltd has been asked to report to the Secretary of State on those options later this year.

It is good to see my right hon. Friend the Member for Uxbridge and South Ruislip (Mr Randall), and my hon. Friends the Members for Lichfield (Michael Fabricant), and for Kenilworth and Southam (Jeremy Wright), here. They have all been assiduous in pressing their concerns on Government and representing their constituents fully. Their frequent representations have been much valued by the Secretary of State and continue to have an influential impact on our thinking.

Let me turn to the points raised in debate. First, on the local environmental impact, let me make it clear that I fully recognise the concerns of those whose homes and communities could be affected by the preferred line of route. Responding to the concerns of the hon. Member for Coventry North West, we are putting a huge amount of work in to mitigate and reduce the potential impact. Approximately half the length of the preferred route to the west midlands in the plans we inherited has been changed. We have added more than a mile and half of green tunnels to maintain local access and minimise noise and visual impact.

Large sections of the routes have been lowered into deeper cuttings, reducing the number of viaducts to cut down on visual intrusion. We have made several route alterations to avoid settlements and important heritage sites. Under the revised proposals, the Chilterns will be crossed predominantly in tunnels and deep cuttings, or alongside the existing A413 transport corridor. The number of properties where high noise levels will be expected has fallen from about 350 in previous versions of the plans to around 10 properties, and we will plant 2 million trees between Birmingham and London. We will continue to listen to ideas for mitigation as part of the consultation process, at the end of which we will carefully consider all representations.

Let me turn to the points on the business case. On the criticisms made by my hon. Friend the Member for South Northamptonshire in relation to our passenger growth figures, the consultation document forecasts that passenger demand will roughly double for long-distance services on the west coast main line. That projection covers 30 years and is based on modest growth rates of just under 2% a year; that compares to a 5% growth rate between 1994 and 2009. If anything, the numbers are cautious. For example, demand between London and Manchester rose by almost 60% over the four years to 2008.

My hon. Friend the Member for Tamworth (Christopher Pincher) expressed concern about the methodology in relation to other industry practices. There is widespread industry consensus, as highlighted by the both the shadow Minister and my hon. Friend the Member for Manchester, Withington (Mr Leech), that the west coast main line will be full within around a decade; some people think sooner, some later, but there is consensus that the line is filling up fast.

My hon. Friend the Member for South Northamptonshire also expressed the concern, in her eloquent and well-argued contribution, that our analysis does not take account of the fact that time can be used productively on a train. We have listened, and we have carried out sensitivity testing on our numbers, and the

results we have had indicate that factoring in productive time would have a broadly neutral impact on the business case for HS2, because failing to deliver a new line would leave trains more and more overcrowded, making it less and less feasible to do any productive work on the trains currently on our network.

As for the allegation made by one or two hon. Members that we are proposing a rich man's railway, and the concerns expressed about fares by the hon. Member for Hammersmith (Mr Slaughter) and the shadow Minister, our research indicates that 70% of passengers would be travelling for reasons other than business, with leisure trips particularly important. All our modelling is based on fares that are in line with existing services. Our assumptions about the expected fare-box do not factor in or depend on any premium for high-speed services.

The hon. Member for Luton North (Kelvin Hopkins) and other hon. Members expressed concern that the project would see the rest of our railways starved of funds. There is simply no evidence to back that allegation. On the contrary, despite a crisis in the public finances as grave as any that this country has faced in its peacetime history, the coalition is investing more than £30 billion in road, rail and local transport schemes throughout Britain over the next four years, and that includes the most extensive programme of rail upgrades in modern history, to which was recently added the Ordsall Chord scheme, which was welcomed by my hon. Friend the Member for Manchester, Withington.

Budgets have not been set beyond 2015, but we expect the case for investment in transport to continue to be strong in the years ahead, as evidenced by the commitments that we have made on Thameslink, Crossrail, electrification, the intercity express programme, and road improvements that stretch beyond the current spending review period.

A key element in the crux of the arguments by opponents of HS2 is the question of whether journey time savings delivered by high-speed rail will be worth the cost of building the new line. The Government's proposals, as hon. Members have pointed out this afternoon, are about more than just speed. One of the biggest advantages of our plans is that a new line would release additional capacity on our existing railways, benefiting places such as Coventry and Milton Keynes, as my hon. Friend the Member for Weaver Vale (Graham Evans) pointed out. That would help to address crowding problems for long-distance passengers, and provide more space for commuter services and the freight services that the hon. Member for Luton North championed so well, and it would also improve network resilience and reliability.

Mr Ainsworth: I recognise what the Minister says about Coventry. The city is split, and the council is opposed, as is my hon. Friend the Member for Coventry North West (Mr Robinson), but I cannot understand how it would be damaged by being only eight miles to the east of what would be the country's major transport spine. The benefits are clear for anyone who wants to see them.

Mrs Villiers: The right hon. Gentleman puts the case very well. Coventry stands to benefit hugely from the plans under consideration this afternoon. Journey time savings matter. For example, the Y network would enable people living in Manchester and Leeds to get to

[Mrs Villiers]

Canary Wharf in roughly one hour and 40 minutes, and Heathrow in 75 minutes or less. I assure the shadow Minister that the plans for phase 2 include the direct link to Heathrow that we called for in opposition.

I believe that bringing the capital within 49 minutes of Birmingham and 80 minutes of Manchester and Leeds would spread the massive benefits of London's global pull. It would do more to bridge the north-south divide than virtually all previous efforts to address a problem that has defied solution for decades, which is probably one reason why so many people north of Birmingham support the project so strongly.

Mr Robinson: The Minister spoke about regional benefits, and we increasingly see the Secretary of State and the Prime Minister emphasising in person the north-south divide. First, how does she explain the fact that of the jobs created—about 30,000—seven in 10 will be in London, not the regions? Secondly, does she really believe that £600,000 a job is good regional investment policy?

Mrs Villiers: The project will create jobs throughout the country. The suggestion that all the cities that are calling for high-speed rail will see their economic growth sucked away by London just does not hold water. Look around Europe, where cities such as Lille and Lyons have been transformed. In Europe and Asia, cities are fighting hard to be on the high-speed rail networks that other countries have the courage and determination to deliver.

Andrea Leadsom: Does my right hon. Friend accept that unemployment in Lille rose after high-speed rail went there?

Mrs Villiers: What I know is that Lille's prospects were transformed by high-speed rail, and its unemployment level fell to much closer to the French average. If people in Lille were asked whether high-speed rail was bad for them, or whether they would like it to be shut down, I suspect that they would say no.

As my hon. Friend the Member for Pudsey (Stuart Andrew) said, shrinking journeys between cities in the north will have a hugely beneficial impact, enabling them increasingly to merge into a single economic area. I emphasise that with its potential to regenerate regional economies, create thousands of jobs, and boost our national economy by about £44 billion, the project is about much more than shaving half an hour off the journey time to Birmingham.

That brings me to the next allegation—that the project is not affordable. In practice, most of the spending will not kick in for at least five years, so it is not competing directly with other priorities in the current period of austerity. Spending will then be phased in over the period of construction, which we all know is, sadly, a long one. The annual average cost will not be out of line with projects such as Crossrail, as my hon. Friend the Member for Weaver Vale pointed out. The figures in the consultation document also make no allowance for possible private sector contributions, which could be considerable, as hon. Members have pointed out, particularly in relation to the expected benefits of station redevelopment.

Perhaps most important is that delivering a major uplift in inter-urban transport capacity is not some nice-to-have luxury. It is absolutely essential if we are to prevent a capacity crisis on the west coast line and other key transport corridors in the years to come. No Government can afford to sit back, ignore the problem, and pretend that it does not exist.

Despite the valiant efforts of my hon. Friends the Members for South Northamptonshire, and for North Warwickshire, and the hon. Member for Coventry North West, the opponents of HS2 have not made a convincing case that there is a better way of dealing with the expected growth in demand for inter-city travel. My hon. Friend the Member for Warwick and Leamington (Chris White) suggested that information technology will provide the answer. I certainly hope that future advances in technology will make video-conferencing an alternative to more journeys, but I am afraid that after in-depth research, the Committee on Climate Change concluded that the net impact of such technology on travel is likely to be minimal, and I am afraid that improvements to the existing network just cannot provide the capacity that HS2 would. The Government are already committed to delivering a 30% uplift in capacity on the west coast line, with new carriages being introduced from April 2012, but that will simply not be enough to meet the demand for inter-city travel in the decades to come.

In response to the shadow Minister's question about the capacity to deliver, HS2 would deliver 14 trains an hour, each of which would have about 1,100 seats. RP2 simply will not meet the future needs of this country's transport system. The practical realities of further work on the existing line have a serious downside. As the right hon. Member for Coventry North East (Mr Ainsworth) said, passengers were subjected to a decade of disruption with the improvements to the west coast line, which have just been completed.

For the information of my hon. Friend the Member for South Northamptonshire, the work required at Euston for RP2 would be considerably more disruptive than those required there for HS2, because they would have to be carried out within Euston's current footprint, making it much more difficult to keep current services going. Disruption would be much worse this time, because the west coast line is twice as busy as it was seven years ago.

The most viable journey time savings that could be achieved using the existing line would involve cutting out intermediate stops, which we all know would be deeply upsetting for the affected communities. Moreover, line upgrades cannot deliver any released capacity benefits, and squeezing even more into the current timetable to allow more intense use of the line would compromise resilience, and is virtually guaranteed to lead to a serious deterioration in reliability. In contrast, infrastructure-related delays on HS1 average just 6.8 seconds. The simple truth is that whatever is done to the existing line, it could never match the economic benefits of faster journey times, capacity uplift, and regeneration that HS2 would deliver.

The hon. Member for Dunfermline and West Fife (Thomas Docherty) called for leadership in delivering the project, and we intend to provide that. He asked whether appropriate rolling-stock designs were available. Our research and analysis is based on rolling stock that

is already in use in the many countries that have embarked on high-speed rail. My hon. Friend the Member for Weaver Vale pointed out that the high-speed rail link is a manifesto promise, and it is one that we intend to keep. My hon. Friend the Member for Tamworth expressed concern about the current status of compensation, and I assure him that the exceptional hardship scheme is already in operation.

Lastly, I will address the allegation that high-speed rail is not green and offers no environmental benefits. Our analysis shows that the shift from road and aviation that would come with delivering the west midlands section of the line would broadly offset any increase in carbon emissions from the new line, despite the significant increase in passenger journeys that it would accommodate. We would get a major economic boost without increasing carbon emissions, which is just the sort of sustainable growth most people in the country say we should have. The modal shift resulting from the Y-shaped network to the north of England would be greater still, with as many as 6 million journeys by air and 9 million by road expected to migrate to rail. The carbon benefits of rail over aviation are set to grow as we make progress on decarbonising the electricity supply.

The consultation under way is one of the most wide-ranging ever undertaken. We will listen to and consider all responses with care, including those that will help us

further mitigate potential local impact, which I know hon. Members are concerned about. I genuinely believe that with care, effort and high-quality engineering, we can address the worst local impacts and provide much-needed reassurance to the constituents of hon. Members who have taken part in the debate. Similar things were done for HS1.

Today, we still rely almost entirely on railways built by the Victorians, and I think it is time we started catching up with the high-speed rail revolution on which our European partners embarked more than a generation ago. I believe that we can—and should—aspire to the sort of high-quality long-distance travel network that other countries take for granted. Our high-speed rail plans provide a once-in-a-generation chance to address the transport capacity needs of our economy in the future, transform our economic geography, and generate a boost for jobs and growth worth billions of pounds. We know that it will not be an easy process, but we should not let this opportunity slip through our fingers. I have welcomed the opportunity to set some of our plans before the House this afternoon.

Question put and agreed to.

5.52 pm

Sitting adjourned.

Westminster Hall

Tuesday 5 April 2011

[Mr ANDREW TURNER in the Chair]

BBC Local Radio

9.30 am

Motion made, and Question proposed, That the sitting be now adjourned.—(Stephen Crabb.)

Dr Thérèse Coffey (Suffolk Coastal) (Con): It is a pleasure to be speaking under your chairmanship, Mr Turner. I thank Mr Speaker for granting this important debate on BBC local radio. I should declare an interest: I used to work for the BBC, although not in the field of broadcasting.

I also thank the 66 Members of Parliament who have signed early-day motion 1593 on the topic. I appreciate that not all Members of the House choose to sign early-day motions, and some have a policy of not doing so, but I assure you, Mr Turner, that the support I have had from Members of all parties has been extraordinary in the desire to keep what is special about the BBC—that, firmly, is local radio.

The BBC spends about £600 million on radio—just under a fifth of the licence fee income—of which about £137 million is spent on local radio in England. That equates to about 3.2p per user hour, half that for Radio 3 and less than for Radio Scotland, Radio Wales, Radio Ulster and Radio Foyle. I am not complaining about the amount of money spent on Radio 3 or the nations' radio stations, but I reflect that BBC local radio in England is rather good value, reaching the number of listeners that it does.

BBC local radio reaches about 7.4 million listeners across its various stations, including—for the particular attention of Members—2.5 million people who do not listen to any other BBC radio station. It is reaching out to that 40% of listeners who do not listen to Radios 1, 2, 3, 4 or 5, and it is important to remember that.

The remit of BBC local radio is deliberately focused on two areas. The first is to ensure that the breakfast and drive-time shows are 100% chat and news-driven, which is what they do, and rather well, especially Radio Suffolk. At other times, a minimum of 60% chat is required. That leaves space for commercial radio to have distinctive programming, in particular music-driven, which brings in attractive advertising slots that reach a younger demographic. The 55-plus generation like to listen to music, but perhaps not the type that drives all advertising on local radio. The second important point about the people reached by BBC local radio is that it captures not only the 2.5 million who do not listen to other BBC radio services but a substantial number of the C2, D and E social groups, broadening the BBC's reach, in contrast perhaps to the national radio stations.

One of the six values of the BBC is to celebrate community moments—"national moments" as the BBC calls them. That is where local radio truly excels, such as the Proms at the Albert hall being taken to the local celebration party, or the royal wedding coming up on 29 April. I cannot tell you how many wedding parties there will be in Suffolk, but they will be covered by people

from Radio Suffolk and there will be the opportunity to phone in to our day-time programmes, which are under threat.

At the moment, distinctive radio is broadcast outside the breakfast and drive-time shows. That can vary, such as local sports coverage. How can I put it? Leiston FC probably would not get commentary on Radio 5 Live, even though they are about to win their championship and get promoted into the Ryman league premier division, but somehow I think that only matters to the people of Suffolk who express an interest in sport. Other examples include the local phone-in programmes—we can talk about post office issues relevant to the local area. There are so many examples, which I am sure that many colleagues will offer today.

BBC local radio has done some things of which I think it could do more, such as reducing the content of the website. There is space for local media to expand, in particular in Suffolk. I might surprise colleagues when I tell them that I have three daily papers covering my constituency, which can do that because they are local and focus on local stories. There are also opportunities to expand the training to community radio stations which, again, all Members value in their constituencies, but they are not a substitute for the excellent output we all enjoy from BBC local radio.

I am sure Members are not surprised that I will now focus on BBC Radio Suffolk. One of the important things to say is that there is a 22% reach to adults throughout the county. More important, Radio Suffolk is truly fulfilling the 50-plus generation remit, because it now covers one in three adults listening to that radio station.

Running through some of the presenters, Mark Murphy in the morning is a must-listen for anyone and everyone. I am sure he will send an ugly mug to anyone who name-checks him today, but, importantly, he has a lead role in campaigning for BBC Suffolk. I have already mentioned in the House, to the Prime Minister, how BBC Suffolk was behind a great campaign in which the people of Suffolk raised more than £3 million to build a children's hospice, very much helped by the radio station. Other, more pertinent local issues include "Bin a Blade": in the first three weeks of the BBC's publicising the campaign and working with the local police, more than 1,000 knives were put into safe bins. That is the reach of the BBC in motivating people and getting that conversation going about some real local issues.

James Hazell has, I believe, the second most popular radio show on BBC Suffolk, but he is in the very time slot that the BBC wishes—is considering, I should say—to move to Radio 5. That would be a big mistake, because on the local phone-in, James Hazell—our equivalent of Victoria Derbyshire—really hits the issues that matter for Suffolk.

Lesley Dolphin in the afternoon goes the extra mile. She might have been following Chris Moyles, but she also went up Kilimanjaro and raised more than £60,000 for charity. She continues to have that light touch that people enjoy listening to, perhaps while gardening or doing their crossword. Stephen Foster is a non-miss; he does the news round-up in the evening. My friend, Rob Dunger, would kill me if I did not mention him, but his business breakfasts on Saturday mornings really bring to the listener who is up and about important news of the day and that friendly chat.

[Dr Thérèse Coffey]

Many good examples of BBC local radio will be given today, but the reason I wanted the debate was to stand up for the licence fee payer. One of the things that worries me about the BBC's review process is that the licence fee payers have not been asked for their opinions or thoughts. By contrast, the Arts Council, which has made difficult choices in the past week, set out open and transparent criteria and the process by which it would make choices on which organisations it would fund. I have not seen any of that from the BBC so far, and I should have.

I am not one to make cheap political points about choices, and talent on the BBC deserves to be paid well, just as it would be in the commercial market, but the BBC needs to look at some of the more sensitive issues it faces in London with some of its talent, such as flying production teams from Scotland to London to accommodate a presenter, or how it manages its staff and talent. A report in *The Guardian* talked about how the BBC misses out on £80 million a year because of how it manages staff.

I went on a training course for human resources. This was no secret, but was said to everyone in the BBC who attended that course: unfortunately, due to poor controls, the BBC paid out more than £6 million to fixed-term contractors who no longer worked at the corporation but who, for some reason, had never had their contract stopped on the payroll. The BBC corrected that—I commend it—and I thought I would never bring the issue up, but that is half the budget of BBC local radio.

There are opportunities for the BBC to look at its internal bureaucracy to understand where the money is going. It found one source, and was able to turn off the tap of funds, which was well done, but even on my last day at the BBC, I was arguing with another project manager about a three-week delay, because that team had not got their act together, and they were trying to block our project going ahead. I was challenging them and saying, "You cannot make this decision. We need someone senior to make this decision, because your delay will cost the BBC £12 million." I know many programme-makers who would give their right arm for £12 million to spend on programmes at the BBC, including many radio stations throughout the country.

It is important that the BBC makes savings—I know that, I get that. I am a member of the party in government and I realise that not every decision will be popular, but one of the BBC's core values is to reflect what its audiences want. I call on it to look hard, think hard, and speak to licence fee payers. That is why it has audience councils. I am not aware that they have been consulted on some of the ideas, or come forward with their own, but it is important that the BBC continues to listen. It is a wonderful institution and something I cherish. I thoroughly enjoyed my time working for the BBC. It sometimes frustrates me, but it is wonderful and it needs to keep what is special. What is special, especially to the people of Suffolk, is BBC local radio.

9.40 am

Angela Smith (Penistone and Stocksbridge) (Lab): I congratulate the hon. Member for Suffolk Coastal (Dr Coffey) on securing this debate, and I echo her

comments about the demographic profiles of those who listen to BBC local radio, its relationship with commercial radio, and the content of BBC local radio. I echo all her comments. The story is exactly the same for the people of Sheffield and south Yorkshire.

My local radio station, Radio Sheffield, started broadcasting on 15 November 1967. It was the country's second local radio station to go live, and it now broadcasts not only to south Yorkshire, but to the north midlands. The signal can be picked up as far afield as the west of Manchester, the north of Leeds, and as far south as Leicestershire. In November 2010, it was voted station of the year at the prestigious Gillard awards. For us, the station is as south Yorkshire as a Barnsley chop or the famous Henderson's relish that goes with it. It is the radio station that people tune into to listen to local news or to talk about local matters.

Tony Cunningham (Workington) (Lab): I listened carefully to what the hon. Member for Suffolk Coastal (Dr Coffey) said. I fully endorse all the comments that have been made about the news, programmes and so on, but does my hon. Friend the Member for Penistone and Stocksbridge (Angela Smith) agree that BBC local radio comes to the fore when there is a crisis, a tragedy or a major event such as flooding? That is when one sees how good local radio stations are.

Angela Smith: My hon. Friend is absolutely right, and I shall refer to the role that Radio Sheffield played during the floods that afflicted south Yorkshire in 2007.

Radio Sheffield's morning breakfast show is hosted by the archetypal south Yorkshire man and "Phoenix Nights" comedian Toby Foster, who can raise a smile on anyone's face. He brings together music, sports, local news and national news with a local interest, and does so in a light-hearted, informative and entertaining way that works with his audience. Other presenters, including Rony Robinson, Howard Pressman, Paulette Edwards and Dean Pepall, are much loved and provide a familiar voice in the homes of people in our area. That is important, especially for the elderly and those who live alone. The demographics of Radio Sheffield listeners tend towards the older end of the age profile, and it is important to bear that in mind; we do not all want to listen to hip hop or rap on Radio Hallam.

Regular phone-in programmes, to which the hon. Member for Suffolk Coastal referred, are hosted throughout the week on Radio Sheffield, and allow local people to have their say on national and local events. At the moment, it runs at least two phone-ins a day, but it would not be able to do that if the proposals were given the go-ahead.

Radio Sheffield really comes into its own when something of local importance happens that may not be of interest to the national media or remains important long after the national media have moved on to other things. A good example was the floods of 2007, which badly affected my previous constituency of Sheffield Hillsborough. For a brief period, the national news focused almost entirely on Sheffield, but after a few days the focus, probably rightly, moved elsewhere.

However, for the people of south Yorkshire the nightmare of flooded homes and streets continued, and a year later the people of Cumbria suffered the same problem. Radio Sheffield played a massively important social

role in ensuring that local people knew what was going on—when electricity would be restored to homes, when streets would be cleaned, when traffic lights would be working and where people could go for help when they had lost everything because their homes were full of water and they had nowhere to go. Without that service, it would have been much harder for people to come to terms with the tragedy of those floods.

Another immensely important role for our local radio station is its role in local sport. I was intrigued to hear the comments of the hon. Member for Suffolk Coastal about local football coverage, because the same can be said in south Yorkshire. Unfortunately, for the time being, not one south Yorkshire team is up there with the elite in the premiership. That will happen one day, although it will take time.

Without local coverage, many of the area's football teams would have no coverage at all. Radio Sheffield's commentary team will travel, for example, to Exeter to cover a league one game involving Sheffield Wednesday. As a Wednesday fan, I must admit that Radio 5 Live will not cover Exeter versus Sheffield Wednesday on a Tuesday night, which is shameful. It is also certain that the national media will not be interested in reporting a game between Barnsley football club and Doncaster Rovers, but such a game is of massive importance to the people of south Yorkshire, because it is a local derby and they want to hear about it.

During the week, Radio Sheffield provides a daily "Football Heaven" programme hosted by the commentary team, which includes Paul Walker, Seth Bennett and Andy Giddings. All three are now involved in national as well as local commentary, because the quality of their commentary is so good. They learned their trade in BBC local radio. The importance of "Football Heaven" and "Praise and Grumble" on Saturdays is that that is where ordinary fans have a chance to vent their anger, frustration and even, occasionally, their praise for their local football teams, although more often than not they are angry and frustrated. Let us also remember that for many years local radio has been the springboard for much of the country's broadcasting talent, without which tomorrow's Nicky Campbell and Simon Mayo will not enjoy the same opportunities to learn their trade. The country would be the poorer for that.

Radio Sheffield is running a trial for merging local radio into regional radio provision in the afternoons. I do not like that, and the people of Sheffield do not like that. I like to hear about my own area in the afternoons, not about dancing dogs in Leeds or York. I want to hear local news, and that is why I tune into the station. The move to replace all local radio stations with national Radio 5 Live for most of the day would be a retrograde step that people throughout the country will resist. Radio Sheffield was set up 44 years ago because local people wanted to hear local news and local stories. To reduce that service at a time when technology has made local reporting even easier and more immediate is wrong and should be resisted.

I hope that the Government will play their part in ensuring that the BBC Trust understands how strongly hon. Members and people throughout the country feel about the issue. I look forward to hearing the Minister's response.

Several hon. Members rose—

Mr Andrew Turner (in the Chair): Order. I note that many hon. Members want to speak, and that there are 50 minutes remaining.

9.49 am

Mr Roger Gale (North Thanet) (Con): I start with a tribute to the BBC, and a thank you. Apart from two years spent floating up and down on the waves as a pirate disc jockey, I learned my broadcasting with Radio London, which gave me the greatest opportunity I have ever had. It took me on as a young, inexperienced, microphone-trained-but-nothing-else broadcaster, and turned me into a radio journalist. I was given the chance to cut my teeth, to make mistakes, to broadcast hour after hour, and to learn the hard way what broadcasting is about. That is where I want to start.

First and foremost, BBC local radio is now effectively the only speech-based local radio service in the country, and it provides a superb training ground for young broadcasters. If that service is taken away, I do not know how people will learn real broadcasting and radio journalism skills without that platform. Local radio is vital to the future of broadcasting, and it should not be underestimated in the way that the craven, metrocentric, television-based management of the BBC currently tries to treat it.

I am sorry; I should have congratulated my hon. Friend the Member for Suffolk Coastal (Dr Coffey) on securing the debate before I went into rant mode. The hon. Member for Penistone and Stocksbridge (Angela Smith) expressed the second point that I wanted to make very well. When it comes to local issues and emergencies, to crisis time or to relatively regular and simple things such as schools closing due to snow, people turn to their local BBC radio station for information. For news about floods and other disasters, people turn to BBC local radio because that is the only real source of local information.

I recall the 1987 hurricane when everything went down but people still had battery-powered radios. The whole of Kent was incredibly badly affected by that hurricane, and people tuned into Radio Kent. After a night of violent storm that ripped our county apart, I recall broadcasting at 6 o'clock in the morning through a radio telephone—as it was at the time—to Radio Kent to offer help and blankets to elderly people in my constituency, and to ask people to contact us if they knew of any elderly people who needed heat and light. Members of Parliament from all parties could not have mounted that operation had it not been for that genuinely local outlet. Local radio is a vital service in every county.

It is easy in metro-centres—in Birmingham, Manchester, Liverpool and particularly London—to say, "There is a plethora of stations that offer a wide menu of broadcasting alternatives, so we do not need this service." I do not believe that is true, however, because BBC Radio London, for example, still plays a vital part in the everyday life of ordinary Londoners.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): The hon. Gentleman mentioned Liverpool. Although Liverpool has a plethora of commercial radio stations, BBC Radio Merseyside is the most listened to local radio station outside London, and has more than 300,000 listeners.

Mr Gale: That is a fair point. BBC local radio is still the only truly speech-based radio service. The hon. Member for Penistone and Stocksbridge made a point about local sport in her speech. BBC local radio covers local football and cricket matches, and some of the best cricket commentary in the country is provided by John Warne from BBC Radio Kent, who comments on Kent's county matches at the St Lawrence cricket ground. He would be an asset to "Test Match Special"—I have suggested that to him, although it would be a great loss to Radio Kent if he were to move to network radio. Those local broadcasters know their local teams, sports and adversaries, and they cover and present a word picture in a way that national broadcasting simply cannot. We will not get that service anywhere else.

I am huge admirer of Radio Five Live and think it is a great service that was an enormous and brave innovation. The management of the BBC at the time—I doubt whether today's management would have had the balls to do it—created something very special, and I would not take one iota away from it. However, it is not the local radio service that BBC local radio provides, not only—this is where people get so dismissive—at breakfast time or "drive time", but throughout the day. Local radio continues through the phone-ins and the local gossip. It is parish pump radio—coffee shop tittle-tattle for the county, and it matters to people.

My final point is that the BBC wastes an enormous amount of money. I have been a BBC producer and director; I have done the job and I know where the money goes. Last August, I was on holiday in France and due to return to the United Kingdom the following day, which was a Saturday. The BBC rang me and asked whether, after sending a taxi for me to Kent, they could fly me from Heathrow to Belfast to spend a night in a hotel, and five minutes on a sofa on Sunday morning to talk about a cat in a dustbin. I worked out that the cost of that exercise would have been over £1,000 for five minutes of broadcasting.

I watched the programme—I did not take part—and at the end a screen credit read "BBC Belfast." That was the only thing in the entire programme that had any relevance to Northern Ireland whatever. The programme could have been made just as easily in Hong Kong, and probably more cheaply. The BBC has wasted £1 billion creating MediaCityUK, as it is called, in Salford Quays, and I would like to know why. What is the point of transferring the "Blue Peter" garden from White City to a rooftop in Salford?

Graham Stringer (Blackley and Broughton) (Lab): There is a long answer to that. Surely the hon. Gentleman believes that the title British Broadcasting Corporation can be accurate only if it has local radio stations everywhere, and if it does not broadcast the main national stations only from London.

Mr Gale: I accept that entirely. The BBC has a long and proud tradition of regional broadcasting centres. Manchester is one, Birmingham and Newcastle are others. Bristol has probably the finest natural history service in the world bar none. I do not take anything away from any of the work done regionally by the BBC—that is not the point. There is, however, no sense in producing coverage of the Hampton Court or Chelsea

flower shows—as far as I am aware, Hampton Court and Chelsea are still in or around London—from Birmingham.

To pick up on the point made by my hon. Friend the Member for Suffolk Coastal, there is no point in flying a production team from Scotland so that Mr Dimbleby can have his programme directed and produced in London. There is no point in flying expensive guests from London to Manchester—if they will go at all—to sit on a sofa for the breakfast television programme. That exercise is costing £1 billion.

We could add to that the management fees charged by the BBC—the director general's salary would pay all the salaries for one local radio station for a year. I do not suggest that the director general of the BBC is not a terribly important person because I am sure somebody will convince me that he is, but there is a huge amount of waste. When the Minister responds, I would like him to direct the BBC, perhaps through its new chairman of the trustees—Lord Patten, I hope—to areas other than this candle-end of a cut, which is minuscule in terms of the BBC's finances. That candle-end shines a real light into the ordinary everyday lives of local people up and down the country, and I want it to continue to burn.

9.57 am.

Steve Rotheram (Liverpool, Walton) (Lab): It is a pleasure to serve under your chairmanship, Mr Turner. I congratulate the hon. Member for Suffolk Coastal (Dr Coffey) on securing this debate. I know that she is a regular contributor to Radio Merseyside which, as my hon. Friend the Member for Liverpool, Wavertree (Luciana Berger) has said, is the most listened to local radio station outside London.

I would like to pick up the point about tragedy. Unfortunately, tragedy has been an all-too-common occurrence in Liverpool in the recent past, and there is sometimes the need for a local voice or slant on something that has been misreported. For example, in 1989 the scurrilous newspaper, *The Sun*, defamed and disparaged Liverpool supporters, and the city needed someone to stand up for it. Radio City and Radio Merseyside both did that, and Radio Merseyside more than most. With its phone-in and its afternoon presenter, Roger Phillips, the station is not just a local voice but a friend who goes into people's homes, and who people know will not be judgmental. They were prepared to use the phone-in programme to express not only their anger, but their grief.

Alec Shelbrooke (Elmet and Rothwell) (Con): Does the hon. Gentleman agree that the vital point of phone-in shows during moments of grief is to provide a local voice? Although the BBC may be able to broadcast a phone-in show, I am sure that the people of Merseyside would prefer a local voice to someone based in London.

Steve Rotheram: The hon. Gentleman is absolutely right. That is the crux of the matter. Although people can phone national phone-in programmes, they are unlikely to do so from somewhere such as Merseyside, where people have that parochial feeling and sometimes think that the national slant on certain stories about our great city does not reflect the feelings of the people. That is why it is a regular occurrence when we listen to the radio in a taxi or when we walk past shops to find

that everyone is listening to the phone-in programme hosted by Roger Phillips, which takes place in the afternoon. In the morning, people can listen to Tony Snell's programme or to my friend Sean Styles, who does a show in the mid-morning. There is also Billy Butler in the afternoon. Those names might not be familiar to everyone in the Chamber, but if they go to Merseyside and mention any of them, they will find that everyone there knows them. People listen to Radio Merseyside more than anything because they trust it. That is why the point made by the hon. Member for Elmet and Rothwell (Alec Shelbrooke) is absolutely right and why Liverpoolians will not stand idly by while faceless bureaucrats wreak havoc with local radio stations, including our local radio station.

10.1 am

Jason McCartney (Colne Valley) (Con): It is a pleasure to speak under your chairmanship, Mr Turner. I congratulate my hon. Friend the Member for Suffolk Coastal (Dr Coffey) on securing the debate, and I praise her compelling and persuasive arguments for keeping daytime output on BBC local radio. She talked about its good value in terms of the cost and the valued output.

I would like to give a personal point of view on BBC local radio. I am lucky to have had two main careers. For 10 years, I was a Royal Air Force officer and then I completely changed tack. I decided that I wanted to be a journalist, did a postgraduate course in broadcast journalism and, like many of my fellow students, ended up working in BBC local radio. I did freelance shifts at BBC Radio Cleveland, which is now called BBC Radio Tees, and I also did some shifts at BBC Radio Leeds. I experienced at first hand the importance and the localness of BBC local radio. I was sent off early in the morning in the BBC local radio car, which was a little Fiesta with a wobbly aerial on top, and I would go to the place where something was happening and try to get people to talk about it. It felt so live, so immediate and so local.

In the BBC local radio stations where I worked, there was a fantastic mixture of the old hands, the characters whom we have heard about, who had been there for many years, and the young, talented and ambitious people—I did not count myself as one—who have gone on to national broadcasting careers. I have only to think of people on BBC Radio 5 Live, which I listen to a lot now. Richard Bacon and Victoria Derbyshire both started in BBC local radio.

I would not dictate to BBC bosses, although I am tempted to, how they should spend their money, but we have to consider the facts and figures. One of the most compelling sets of figures are the most recent listening figures, which show a weekly reach of 7.4 million people in England for BBC local radio. That is an increase of 700,000 listeners on the previous year. Those figures do not surprise me, because I know the value of BBC Radio Leeds in my Colne Valley constituency, on the edge of Huddersfield in West Yorkshire.

I must talk about the passionate football coverage. This is an exciting time in West Yorkshire. Leeds United are going for promotion, as are my team, Huddersfield Town. Bradford City are struggling to stay in the league, but that also makes for compelling listening. Only on Saturday afternoon, I was out and about with my

children, but I had BBC Radio Leeds on, and Paul "Oggy" Ogden was commentating on Huddersfield at Tranmere. He actually lost his voice as he screamed the commentary on the second goal, scored by Novak, at Tranmere, which was another vital win for Huddersfield Town. Ogden is a local lad—he lives down the road from me—and it is that passion that we get from BBC local radio.

I must declare an interest: I am regularly on BBC local radio. Recently, I have been on it talking about Libya, Arts Council grants and maternity services in Huddersfield. There is a slot on Friday morning called "Meet Your MP". My hon. Friend the Member for Elmet and Rothwell (Alec Shelbrooke) and I have recently been on it, as have other hon. Members, and I will be on it again in a couple of weeks' time, so local radio is good for local democracy as well.

Duncan Hames (Chippenham) (LD): Does the hon. Gentleman agree that, in our soundbite era, BBC local radio is often the only media outlet that has the patience and care to do the in-depth interviews that get to the bottom of a story?

Jason McCartney: My hon. Friend makes a very good point. The "Meet Your MP" slot lasts an hour and is all speech; there is no music. It is a mixture of people going out and about and interviewing people about issues. We do not know what the questions will be, and we get the time to give proper answers rather than just soundbites, so my hon. Friend has hit the nail on the head.

We have heard about the value of BBC local radio in a crisis or at a time when people are worried. On my patch, there were very heavy snowfalls in the last two winters. Although it did not make for compelling radio, parents and guardians were glued to their radios as presenters read out the list of 380 schools that were closed. That was done on a half-hourly cycle, and I know how valuable the service was. The listenership was probably the highest ever. It was just list upon list of schools. The parents or guardians were worrying about whether they would have to take a day off work to look after the children; the children were jumping for joy when they could go sledging and throwing snowballs. That is the kind of localness that we get from BBC local radio.

The hon. Member for Penistone and Stocksbridge (Angela Smith) has mentioned regionalisation. I was on the lunchtime phone-in show recently, and the presenter kept thinking she was still in Sheffield, even though she was broadcasting across the Yorkshire region. The BBC is examining that already but, as has been shown, it does not necessarily work. BBC local radio needs to be local. We have heard in other recent debates in this place that we must protect the front line. There is nothing more front line than BBC local radio, so I hope that my hon. Friend the Minister will pass that message on from all of us here today and that the BBC will listen.

10.6 am

Nic Dakin (Scunthorpe) (Lab): It is a pleasure to speak under your chairmanship, Mr Turner. I congratulate the hon. Member for Suffolk Coastal (Dr Coffey) on securing the debate and on securing such good attendance

[*Nic Dakin*]

by MPs on the last day before the recess; that shows how strongly we feel that we must join our voices to those of our constituents and ensure that the BBC hears what we are saying.

As the hon. Lady said, we need to stand up for licence fee payers. We need to listen to what they want and ensure that they get a good deal. Local radio is a very good deal—for licence fee payers and for the industry. As the hon. Members for Colne Valley (Jason McCartney) and for North Thanet (Mr Gale) pointed out, drawing on their experiences, it is a breeding ground and a training ground for reporters who move on through the system, so it is very important. It is the lifeblood of the whole system.

Like many right hon. and hon. Members, I was brought up with local radio. My mother was a regular contributor to Radio Leicester as part of the comedy duo Florrie and Ada. They performed in Sileby dialect—[*Interruption.*] I cannot do the dialect myself, but my mother still can. That illustrates the way in which local radio keeps voice, dialect and idiom alive, which is also very important. Local radio is part of the lifeblood of communities.

The local radio station that I know best now is Radio Humberside. I am pleased to see in the Chamber the hon. Member for Cleethorpes (Martin Vickers), who will also celebrate Radio Humberside. We both enjoy, I am sure, the coverage of local football, although recently I have not been able to enjoy it particularly.

Luciana Berger: We have heard lots of contributions from hon. Members about the coverage of football on local radio, but does my hon. Friend agree that local radio stations such as BBC Radio Merseyside also provide opportunities for other sports, such as basketball, to get attention? This week in basketball the chase is going to the wire, and it is stations such as BBC Radio Merseyside that are promoting teams such as the Mersey Tigers.

Nic Dakin: I congratulate Merseyside on being top of the league. In Scunthorpe, the local speedway group and the local rugby union club are also covered and celebrated. Indeed, as a college principal, I often saw the college netball team and the college hockey team covered as well. Also in my role as college principal, I saw how important it was to have local radio to communicate to people, during the snows of the early part of 2010, which buses were and were not running. Without that information source, we could not have kept everyone informed.

Local radio is part of the infrastructure of community, which keeps the community involved; it can celebrate what goes on in the community and it can motivate communities. People in all parts of my constituency—whether it is Hibaldstow, Redbourne, Cadney, Howsham, Kirton, Bottesford or Scunthorpe—can see events celebrated on local radio that they rarely see celebrated on local, or indeed national, television. That is important because it reflects the community's passions and interests back to it.

Martin Vickers (Cleethorpes) (Con): I agree with much of what the hon. Gentleman says, but does he acknowledge that his constituents, like most of mine, would actually prefer to be served by Radio Lincolnshire?

Nic Dakin: Of course our constituents can tune into Radio Lincolnshire—they have the freedom to tune their radios—but my constituents tune into Radio Humberside because of its performance and the support it provides. They like to listen to Andy Comfort and to be teased by Peter Levy. That is why they enjoy Radio Humberside, and long may it remain so.

The hon. Member for Suffolk Coastal must be absolutely congratulated for bringing this issue before us. Let us hope that the BBC is listening.

10.11 am

Mr Steve Brine (Winchester) (Con): I, too, pay tribute to my hon. Friend the Member for Suffolk Coastal (Dr Coffey) for securing the debate. We may be holding it on the last day of term; as the hon. Member for Scunthorpe (Nic Dakin) said, but the turnout is excellent, which tells a tale in itself.

Like many other Members, I should declare an interest at the start of my remarks. I began my career in BBC local radio; I worked in news and programming at Southern Counties Radio in Guildford, which became BBC Radio Surrey, and I also produced and read news in the United States—the types of radio involved could not have been more different, and therein lies a tale for another day. I would consider myself a friend of the BBC, but like all friends worth having, one can sometimes be critical and not always say what friends want to hear.

As we have heard, the BBC faces a tough licence settlement and is looking for savings. BBC staff are rightly being asked to contribute ideas about how to achieve those savings as part of what the corporation calls “Delivering Quality First” workstreams—“workstreams” is a great BBC term—and recommendations will be made to the trust this summer. I suppose “Delivering Quality First” is an exercise in flying a few balloons, and I genuinely pay tribute to the BBC for flying them, but I doubt whether it wanted the particular balloon we are talking about to fly quite as high and as publicly as it has.

That is not really important now, however, because this workstream has been picked up and will be discussed by members of the public and in this debate, which is a good thing. I have spoken to some members of BBC management, and I understand their frustration at the fact that “Delivering Quality First” is seemingly such a leaky progress. My advice would be that that is not all bad; there are many benefits to the fact that these issues are being discussed publicly. We should have more of that at the BBC.

Like my hon. Friend the Member for Suffolk Coastal, I fully accept that the BBC faces a financial challenge. I may be critical of the nearly £100 million overspend on the redevelopment of Broadcasting house and I may wonder whether that money could have been used better—we have already heard examples of where savings could have been found—but when I say that I accept that there is a challenge, I also accept that there must be some changes. I accept that there must be changes to BBC local radio as somebody who has worked in it and seen it from the inside. Those changes might be not only necessary, but desirable. If it is done correctly, “Delivering Quality First” could be a big opportunity for BBC local radio.

It is right to look at some shared documentary programming, which could be broadcast across regions, if the story will work on a much wider geographical area. One example from my part of the world is the future of Southampton airport, which is expanding rapidly. That is a regional story, which would be owned by BBC Radio Solent, but it would clearly be of interest more widely to listeners in Sussex, Surrey, Wiltshire and possibly elsewhere. It is right to look at some shared programming nationally and across regions. A story may demand a wider audience, and the BBC can use its network of local radio stations to further its public service role.

Another example might be a documentary looking at the referendum that we will have on 5 May on a possible change to the voting system. It would be no bad thing if we used the BBC local radio network to explain in much more detail to its loyal listenership what the alternative vote means, for instance. I would very much welcome that.

Members who are listening carefully, or at all, will have noticed that I said "shared documentary programming", and that was deliberate. There is no reason for saying that certain time slots in BBC local radio's daytime schedule—not the whole thing—cannot be earmarked for regional and/or national documentary content. It would be best if that was pre-produced documentary content. In my experience, there is not enough good radio documentary content these days, and it falls to the BBC, through the amazingly unique way in which it is funded, to correct that. If the corporation is really smart, it will use the huge talent pool in BBC local radio, which other Members have mentioned, to bring such things to air and give them a chance. I see no reason why the BBC should not use its substantial knowledge of specific BBC local TV and radio audiences to do that in the way that has the least impact.

Mr Gale: My hon. Friend is making much more eloquently than I did the case that I was trying to make. Does he agree that the BBC network leans very heavily on its local radio stations as stringers, particularly in times of national emergency, crisis and incident? Without the bedrock of those local journalists, all that will be stripped away and that huge national resource will be lost. We cannot cover some issues only in a breakfast programme and a drive-time programme.

Mr Brine: I absolutely agree, and I will explain why in more detail later. What I am saying, however, is that there is no reason, if it is used intelligently, why good documentary content in predetermined slots—just an hour here or there—should not be fed through the BBC local radio network. Many of the national stories that we hear on network radio will go to a reporter in Scunthorpe or in Winchester, which I represent. Those reporters will be from BBC local radio, and the BBC will use their experience. It will use its local reach to bring issues to network radio, and it does that very well, but if we take that arrangement away, the network will go.

If savings have to be found, and many of us accept that they do, we have to think about these issues. What we do not have to think about, however, is flattening all daytime BBC radio content and merely accepting the Radio 5 live feed other than during breakfast and drive time.

When I worked in BBC local radio, I was fortunate enough to be part of the production team that ran our afternoon sequence. That was not news, but a daytime magazine radio. We produced three and a half hours of live, all-talk radio five days a week, and I can tell Members that that was a learning ground—we produced some great live radio and some great stuff for the Christmas bloopers tape. Seriously, however, it was live radio in the community and for the community. We brought issues alive for listeners, especially when we took the outside broadcasting car with the wonky aerial out on the road.

Shortly after joining the station, I moved from news to programming, because it had much more of a magazine, daytime feel and allowed us to develop stories and features from the community we served. To give one example, we used to open the programme every day with a feature called "Just the Job", which brought somebody on the air for 10 minutes to tell listeners about their interesting or unusual occupation. The man who tasted dog food to see whether it was ready for the market lingers in my memory and in other ways—he genuinely still exists. *[Interruption.]* It was very nice. However, my point is that BBC local radio daytime output was fun and local, and the response to our show was enormous. That loyal following genuinely drove content for us from one day to the next.

I want now to touch on localism. As we have heard over the past year or so, the Government's whole drive is towards decentralisation and localism. We are putting more power than ever before into the hands of councils, councillors, schools and, dare I say it, even GPs. All those people will be responsible for huge sums of taxpayers' money—our constituents' money—and BBC local radio will be needed to play an even greater role than ever in holding local decision makers to account and in shining the light of transparency on behalf of our constituents.

BBC local radio stations are increasingly involved in holding people to account, which is the essential accompaniment to localism, and it would be not just a shame, but dangerous to see that work go backwards. In my area, BBC Radio Solent, which began broadcasting from its antenna on the Isle of Wight many years ago with the voice of Lord Mountbatten, has recently appointed two local political specialists who have begun a series that gives listeners a direct line to decision makers and service providers. I have been called to account myself many times, including at some ungodly hour this morning to talk about this debate. The facts speak for themselves, as many Members have said. People are listening in increasing numbers to BBC local radio. We have touched on crisis coverage and the BBC stamp of authenticity, so, most importantly, we can all know when not only kids but big kids—Members of Parliament—can go sledging.

I know that young audiences are also drawn to BBC local radio. Sometimes this debate can be polarised and the service be seen as rather old-fashioned, but young people in my part of the world listen to BBC Radio Solent through the partnership it has with Radio 1 and its "BBC Introducing" programmes, which give new music and unsigned bands a chance via the BBC network and web pages. We should do much more of that. The BBC has a big responsibility to help young people and give them a chance.

[Mr Brine]

Local radio should be a vibrant and often risky broadcasting environment, where young talent can grow and learn and where the local stories, which we often hear on network coverage, can be unearthed. In my limited experience of broadcasting, and especially radio broadcasting, it is as much in the heart as in the head. To create content that is interesting and engaging, it is necessary to create a sense of community that means the listeners will tune in to be a part of the team as much as to hear what is said. Terry Wogan on Radio 2 with his TOGs—Terry's old geezers or gals—is a brilliant example of that, but there are hundreds of examples in BBC local radio across the country, including on BBC Radio Solent.

Hard news is only part of the story in breakfast and drive time on local radio. So many listeners value their station for the companionship and sense of community it offers, and that, in my humble opinion, is something we are unwilling to lose without one hell of a fight. Without BBC local radio, the whole world would never have known the sheer pleasure of "Up With The Partridge" on Radio Norwich. As a great fan of Alan Partridge, I think that that would be a very bad thing indeed—ah ha!

10.22 am

Andrew George (St Ives) (LD): I congratulate the hon. Member for Suffolk Coastal (Dr Coffey). I have enjoyed coming to her weekly—or so it seems because of her success in securing debates—90-minute debates in Westminster Hall. I also congratulate her on speaking so strongly, passionately and ably on behalf, as she put it, of the licence payers. Their voice is not heard sufficiently in the corridors of power in the BBC, and I hope that the voices raised this morning will resonate throughout the BBC. I have not heard a word against local radio, which is no surprise, and I am certain that the message will be heard loud and clear. I hope that the Minister will convey the messages from this morning.

It is a pleasure to follow the hon. Member for Winchester (Mr Brine) and his stories about dog food tasting, which made us all sit up. I wish to make two straightforward points. We, as parliamentarians, are rightly and inevitably obsessed with how we achieve a functioning democracy. Therefore, one of the obsessions with which we will inevitably engage to ensure that we get one is ensuring that we have a functioning media—a means by which people have communication that informs them in terms of their engagement with the political decision-making process. If all that the broadcast media can do is provide generalised national reporting or press releases read out on the hour quickly, interspersed with the extensive playing of records, it will not significantly contribute to the kind of functioning democracy that we, across all parties, desire. For that reason, we rightly want to support and protect what we have now—in fact, if anything, we need to enhance what BBC local radio is achieving.

The BBC has become involved in a race. I do not know whether it is the same in other areas, but six or seven years ago in my part of the world, BBC Radio Cornwall adopted "Radio Anywhere" jingles and a broadcast style and manner that is replicated in the grid pattern of BBC local radio across the country. I am not

sure that that is necessarily a move in the right direction. It is the idiosyncrasies, which have come out today in hon. Members' descriptions of how BBC local radio reflects their areas, that are precisely what our local radio stations should value.

Duncan Hames: In Corsham, Winsley, Chippenham and Holt, the signature of BBC Wiltshire is its reach into rural communities when other media seem to be stuck in the cities. My hon. Friend must feel that as acutely in west Cornwall.

Andrew George: My hon. Friend is right. We are blessed in Cornwall. I might challenge the hon. Member for Liverpool, Walton (Steve Rotherham) on whether his local radio station is statistically more popular and has greater reach, penetration, listenership and loyalty than Cornwall's. BBC Radio Cornwall is an incredibly popular local radio station, in spite of operating in a very competitive environment with the independent stations, Pirate FM and Atlantic FM—both well listened to local, independent radio stations. On the Isles of Scilly, we have Radio Scilly as well, which provides a remarkable and engaging community service although it broadcasts to a population of only 2,000. The only reason those independent radio stations are able to succeed is that the BBC sets the standard that they have to attempt to reach.

I go back to my fundamental point about a functioning democracy. I fear that the BBC at national level is moving towards fly-on-the-wall, get-me-out-of-here types of reporting, rather than the in-depth inquiring documentaries in which it engaged in the past. Similarly, on local radio, I have noticed a trend towards just reading out press releases rather than cross-questioning the information put out by the establishment. BBC local radio has done that effectively, it has the resources to be able to do it and it is fundamentally important that it should carry on doing it.

BBC Radio Cornwall is the national voice of Cornwall. We have "An Nowodhow"—the news in Cornish—which is fantastic to be able to hear regularly, even with my rather rough and informal knowledge of the language. Other Members have mentioned dialect stories from other parts of the country. We can only get that with a framework in which such reporting can be based. I fear, though, as Matthew Arnold put it, that this is about the desire of a centralised state to render its dominion homogenous. The BBC may be engaged in that same drift of simply treating the UK as if it reflects the metropolitan elite, and it is not necessarily reflecting idiosyncrasies around the country as a whole. I hope the BBC is listening today.

10.29 am

Mr Robin Walker (Worcester) (Con): I start by congratulating my hon. Friend the Member for Suffolk Coastal (Dr Coffey). Like her, I speak in support of highly valued local radio services. To my pleasant surprise, I find I must declare a family interest, though I would not have had to do so a week ago. My sister found out last Friday that she has been accepted into the BBC's talent pool and is therefore one more person with a profound interest in its future.

It is not on my sister's behalf that I am speaking, but on that of my constituents, who value their local radio

station, BBC Hereford and Worcester. Among its 110,000 listeners, it has 33,000 who listen to no other BBC station and 18,000 who listen to no other station at all. I speak on behalf of the tens of thousands of listeners who value, through the day, BBC Hereford and Worcester's updates on real local news, its local sports coverage and the invaluable public service that it provides in times of crisis. I hope that we speak in this debate on behalf of common sense when it comes to the BBC's handling of its financial challenges.

Cutting local radio, which represents a fraction of the total radio budget and a still smaller fraction of the overall budget of the BBC, is not the obvious place to start. There is no doubt that the BBC, like other public bodies, must cut its cloth to fit the times, but it has a great deal of cloth from which to cut, including large headquarters buildings and several smart television studios around the country, and budgets for entertainment, publicity and promotion, the salaries that it pays to big name broadcasters and the budgets of expensive television productions. Perhaps some of the many hundreds of people who covered Glastonbury last year should be spared before the 30 who work hard in my local radio station.

The "delivering quality first" proposals that prompted this debate have not yet been properly costed. They are only ideas at present. However, the director-general has suggested that £150 million could be saved by scrapping overnight television programming between 10.30 pm and 6 am, showing repeats instead. That is more than the total cost of BBC local radio throughout the UK, which costs £137 million.

Apart from the fact that local radio is enjoyed by thousands every day, as other hon. Members have suggested, it comes into its own in times of crisis. In Worcestershire in the summer of 2007, we faced cataclysmic flooding, a one-in-100-years flood that caused weeks of disruption, and images of our county were shown on the national news for all the wrong reasons. In such circumstances, local radio comes into its own. People who were stranded were able to get help, drivers were able to avoid the closed roads, and SOS messages from farmers needing their cows to be milked and from the elderly in need of food were responded to, thanks to local radio.

Many years ago, freak snowstorms in October cut off my family in our home in rural Worcestershire. For more than a week, the power was out and the heating was off, and the local radio on battery-powered radios was our lifeline to the outside world, bringing news and comfort. Much more recently, in last year's hard winter, when snow drifts struck and thousands were stranded, it was to local radio that many people turned. I remember sliding along in my car listening to an SOS from a local wedding because the DJ had failed to arrive. It was not a matter of life or death, but as I plan to get married this Saturday, I can say that it must have felt so. Only local radio could have delivered on such a mission—and it did.

If the cuts were to go ahead, the BBC would suffer from the loss of local knowledge and contacts provided by the local radio network. Many journalists—and, it seems, many MPs—began their careers in local radio, but many of the most popular and well-loved characters on the airwaves have remained there for many years. The local knowledge of figures such as BBC Hereford

and Worcester's Paul Damari, our weatherman, is legendary; it would be harder to retain that knowledge with a broadcasting schedule of only a few hours a day.

My case is that local radio remains a vital public service. If there is any justification for public service broadcasting, then surely local broadcasting should be at the forefront. The BBC must do what it can to manage its way through these financial challenges, but the suggestion of abandoning local radio is fraught with risk. It is the wrong cut to the wrong target.

As we prepare for the Easter recess, I am reminded of the parable of the speck and the beam in Luke's gospel, in which one man focuses on the speck in his brother's eye rather than removing the beam from his own. The BBC gives wall-to-wall coverage of Government cuts and their impact on local communities, but it must also consider its own decisions and do the right thing to protect genuine community services such as local radio.

10.33 am

Alec Shelbrooke (Elmet and Rothwell) (Con): It is a pleasure to serve under your chairmanship, Mr Turner. I congratulate my hon. Friend the Member for Suffolk Coastal (Dr Coffey) on securing this important debate.

I wonder whether the BBC has lost the plot and completely forgotten that it is a public sector broadcaster. Several hon. Members have discussed the vital nature of the BBC to local communities. I draw on the comments of my hon. Friend the Member for North Thanet (Mr Gale) about Radio Kent; I was brought up in Kent, and I remember sitting around the radio waiting to hear whether my school had been closed—those were exciting times.

Tony Cunningham: We have talked about flooding and other crises, but we tend to forget the huge crisis that hit the farming industry—the foot and mouth outbreak of 2001. BBC Radio Cumbria—and, I am sure, local radio stations around the country—was vital, as farmers who were completely isolated were able to tune into their local radio stations.

Alec Shelbrooke: Absolutely. That example shows how important local radio is.

I raise those subjects because I want to discuss the technology. Local radio is broadcast on FM because its reach is relatively small compared with other forms of broadcasting. The FM signal goes roughly the distance that the eye can see—about 20 or 21 miles. It has the unique ability to allow several local radio stations to broadcast to their communities on specific local issues. I can understand the BBC thinking that Radio 5 Live has become a popular radio station and that it might say, "Let's move it on to those FM frequencies, which we can free up by getting rid of local radio." However, that does a disservice to Radio 5 Live listeners.

Many Members have said that sports coverage on the BBC is fantastic, and my hon. Friend the Member for North Thanet was right to say that it was a brave decision to create Radio 5 Live. I remember tuning to Radio 2 on Saturday afternoons to get football and sports reports. When 5 Live came along, broadcasts were much more focused. However, medium wave broadcasts have the advantage that they can be heard in many areas that cannot receive FM. Indeed, given the

[Alec Shelbrooke]

correct atmospheric conditions, I have been able to pick up Radio 5 Live in the Italian Alps. If we move the programme to FM, we shall disfranchise many listeners. I remember talk of making Radio 4 long wave into a news-only channel, and the resulting outcry from people who would not be able to hear "The Archers", because they would not be able to pick up Radio 4 FM in the more remote locations.

Some argue that we could move to digital channels. We have heard much about sports coverage today, but about two years ago coverage of Leeds United was moved from BBC Leeds to Yorkshire Radio, a station owned by Ken Bates. I am sure that everyone will understand why he did that. The argument that we could hear the commentary on digital radio disfranchised a great number of people in the Leeds area, who cannot now pick up the Leeds United commentary. The BBC says that it could use digital stations, but many people do not have access to a digital set. More importantly, in some of the more remote areas it is difficult to pick up a digital signal.

The BBC needs to consider why it exists. Its primary function is public service broadcasting. If the BBC is looking to save money, why do we need BBC 3 television? BBC 3 does exactly what BBC 1 and BBC 2 used to do—and what Radio 4 used to do, as many of the comedies that are now trialled on BBC 3 used to be trialled on Radio 4.

Jason McCartney: My hon. Friend has hit the nail on the head. It is all about financial choice. The BBC Democracy Live website is apparently not showing this debate; instead, it is showing coverage of the EU Parliament. Will my hon. Friend join me in saying that it should ditch that EU coverage and spend the money on BBC local radio?

Alec Shelbrooke: I am sure that our written media give more than enough coverage to European matters, and the BBC does not need to follow them. The BBC should prioritise.

"Little Britain" and "The League of Gentlemen" are very successful comedies on BBC 1, but they started on Radio 4. I am sure that many will have read that BBC Radio 7 was rebranded to form Radio 4 Extra, with new editions of "The Archers" and so on. It is a better listening feast. New comedies should be trialled on Radio 4 Extra, which is a digital channel. BBC 3 is a digital channel, and getting rid of it would free lots of money. BBC 4 is a great channel, with some highbrow broadcasting, but its content used to be shown on BBC 2. Why are we spreading the money around? BBC 3 and BBC 4 could be scrapped, and that money could be used for local radio. In my opinion, that would cause no loss of content or quality for BBC viewers and listeners.

Some of the more commercial stations, such as Radio 1 and Radio 2, could easily survive in the commercial world, but the BBC is a public service broadcaster. Radio 3 has been mentioned. It has a small audience, and it offers a unique service of limited appeal and may not be commercial viable, but it plays complete pieces of music, unlike Classic FM. Despite being commercially successful, Classic FM does not play the intellectual pieces that can be heard on Radio 3.

There is a role for public service broadcasting. I urge the BBC to take a close look at how it spends its money. It should remember its remit as a public service broadcaster. If that means getting rid of BBC 3 and BBC 4, and using the BBC 1, BBC 2 and Radio 4 Extra channels instead to save money for BBC local radio, then that is what it should do. It should remember that technology allows it to use FM. It should also remember that having medium wave for Radio 5 Live will let everybody hear those commentaries that we all appreciate and love.

10.39 am

Ian Austin (Dudley North) (Lab): I congratulate the hon. Member for Suffolk Coastal (Dr Coffey) on securing this debate and on her speech. Like a number of hon. Members this morning, she used her service with the BBC to inform the debate.

I associate myself with the remarks that have been made about the important role that the BBC plays in the lives both of the nation and of the regions and communities that we represent. The structure of the BBC, like that of the NHS, says a huge amount about how we see ourselves as a nation—it is something to which we all contribute and from which we all benefit. It occupies a crucial role in our national life. More than any other broadcaster or media outlet in Britain or elsewhere, the BBC is trusted for its impartiality.

The BBC's 40 local stations, not least Radio Suffolk, play a hugely important role across Britain. They have 7.5 million listeners a week—an increase of 500,000 on last year and more than 700,000 on the year before. A third of listeners, some 2.5 million, listen to no other BBC station and almost a fifth listen to no other station at all. Some 1.5 million British people get pretty much all of their news from their local BBC radio station.

BBC local radio reaches 31% of less affluent over 55-year-olds, which is well ahead of Radio 2 at 24% and Radio 4 at 16%. At 35%, local radio's reach for less affluent pensioners is even higher. In fact, the figure is higher than for any other station. Given the proportion of people listening in the morning, BBC local radio is one of the main sources from which those people get pretty much all their news and current affairs. Such figures are really important, because they show how local radio helps the BBC deliver effectively to all licence fee payers. They show how significant numbers of licence fee payers, particularly older and less affluent ones, would not be served properly if substantial parts of the local radio service were removed.

Tony Cunningham: May I go a stage further? For many people who are elderly, disabled or housebound, local radio is not just something to which they listen, but a lifeline.

Ian Austin: My hon. Friend is absolutely correct. That is a really important point about the BBC's local services, which are listened to and which give a voice to all those who are otherwise not catered for by other broadcasters, whether those broadcasters are run by the BBC or anybody else.

The BBC runs five local radio stations in my region of the west midlands, including the brilliant BBC WM with its broadcasting legends Ed Doolan, Paul Franks

and Phil Upton, on whose show the hon. Lady and I were interviewed this morning.

Local radio in the midlands attracts more than 800,000 listeners each week, and its content is of huge importance. It organises detailed debates and discussions on issues of local and regional importance. As my hon. Friends the Members for Workington (Tony Cunningham) and for Liverpool, Walton (Steve Rotherham) have said, it covers major issues such as crises and floods. At the moment, there are debates involving the candidates to be elected mayor in Leicester and Mansfield, discussions about the impact of spending cuts on the voluntary sector in the black country, coverage of local government elections, Ed Doolan's legendary consumer advice service and brilliant sports reports, all of which would not be covered or debated were it not for the BBC's local and regional output.

Andrew George: The hon. Gentleman makes a vital point. Without local reporting, including BBC local radio, where would people go? These days, they may go to the internet and the social networking blogosphere, where there is a lot of uncorroborated rumour plied by rather sad and mendacious people, who often want to defame those engaged in trying to inform people. Is it not the case that the alternatives are rather worrying?

Ian Austin: The hon. Gentleman is correct in his comments about the rigour, impartiality and accuracy that underpin the BBC's work.

The BBC's local and regional output is a core part of its work. Without it, I wonder whether it is possible for the BBC to fulfil both its mission to inform, educate and entertain and its public purpose, which is set out in its charter. For example, it has a duty to represent the different nations, regions and communities and portray and celebrate their range of cultures and communities at a national, regional and local levels.

Dr Coffey: Does the hon. Gentleman agree that it is a contradiction that the BBC is spending money moving TV production away from the centres to the regions and nations, but, at the same time, almost taking away that regionalisation from radio?

Ian Austin: The hon. Lady makes an important point, and I will expand on it in a minute.

The BBC also has a duty to provide a range of outputs, including original content, to meet the needs of the different nations, regions and communities of the UK.

As the hon. Lady has said, the BBC's English local radio network also represents value for money. The BBC's total spend in 2012 was £3.5 billion, of which BBC local radio in England spent £137 million. The service costs just 3.2p per user per hour, which is less than half the cost of BBC Radio Scotland and a fraction of the cost of the Welsh language service.

As the hon. Lady has said, the BBC makes an important contribution to the economies and cultural lives of the English regions with networked programming outside London supporting 7,000 jobs in Glasgow, Cardiff and Bristol, which is worth around £200 million to the economy of those areas each year.

The BBC's economic impact study shows that every pound of licence fee generates £2 of value to the licence fee payer. I am worried that the money that is spent on production would be jeopardised if the local and regional radio network was undermined as part of the current discussions. The point about cost and benefits is really important. The benefit of the licence fee should be felt by all licence fee payers and all citizens in all parts of the UK.

This morning, Government and Opposition Members have celebrated the BBC's work and the important role that it plays at a local and regional level. None the less, many of us are concerned about what impact the savings will have on its work. Of course, savings and efficiencies should be made where it is possible—no one disagrees with that. Like all broadcasters and other media organisations, the BBC constantly has to adapt and modernise its service to reflect the introduction of digital services and other technological advances.

Many hon. Members are worried that the scale of the savings that the BBC has been asked to find will be difficult to achieve without compromising the important functions that have been discussed this morning. I have a number of questions for the Minister about the impact that the cuts will have on the BBC over the next four years. How confident is the Minister that the duties set out in the royal charter will not be jeopardised by the savings that have to be made? How does he think that the savings should be shared between national, regional and local services? What criteria should be applied to where the cuts will fall? How does he think that those criteria might affect programme quality? What guarantees has he sought about the impact on the diversity and quality of regional and local services? Based on his discussions with BBC management, can he tell us how many jobs might be jeopardised by the process? To what extent does he believe that the users of the BBC's local and regional services should be consulted about any changes? I will finish there in the hope that the Minister will address some of those questions in his response.

10.48 pm

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): I am grateful to the hon. Member for Dudley North (Ian Austin) for those questions and to my hon. Friend the Member for Suffolk Coastal (Dr Coffey) for securing this debate. Many Members have used this as an opportunity to highlight the quality of their local BBC radio service. However, I will, if I may, make a brief correction. Each Member gave the impression that they had the best service in the country, but let me say that BBC Radio Oxford is, in fact, the best local BBC station in the country.

Like many of the other stations that hon. Members have mentioned, BBC Radio Oxford was particularly prominent at a difficult time for its local area. In BBC Radio Oxford's case, that was when my own constituency suffered from flooding in 2007, and the station continues to provide a first-class service to my constituents and to other people living in Oxfordshire. In particular, there is Malcolm Boyden's excellent breakfast show and there is Bill Heine's show. Bill Heine is famous not only for being an excellent presenter, but for having a shark that comes out of his roof in Oxford.

[Mr Edward Vaizey]

Obviously, I want to address the concerns that have been raised, particularly those raised by the hon. Member for Dudley North, as best I can in the short time remaining to me. First, however, having criticised hon. Members for trying to give the impression that their local BBC radio station was better than BBC Radio Oxford, let me say that I agree with them when they say that their voices should be heard by the BBC.

It is a testament to the commitment to the BBC of hon. Members, and therefore a testament to the commitment to the BBC of their constituents, that so many of them have turned out for this morning's debate to make their contributions. The hon. Member for Penistone and Stocksbridge (Angela Smith) spoke about the importance of Radio Sheffield and she made the particularly good point that local radio offers an opportunity for emerging talent to hone its skills. My hon. Friend the Member for North Thanet (Mr Gale) talked about his vast experience in the media. Contributions were also made by the hon. Members for Liverpool, Walton (Steve Rotheram), for Scunthorpe (Nic Dakin) and for St Ives (Andrew George) and by my hon. Friend the Member for Colne Valley (Jason McCartney) and my hon. Friend the Member for Winchester (Mr Brine), who acknowledged that some change is not always to be opposed. My hon. Friend the Member for Worcester (Mr Walker), who is to be congratulated on his impending nuptials, also made a contribution.

In fact, there is something about the BBC and marriage. I say that because when I participated in a debate on the BBC on Friday, such was the interest that I began reading Dods from cover to cover and discovered that the hon. Member for Chippenham (Duncan Hames) is also due to be married; I also extend my congratulations to him. Of course, I also congratulate my hon. Friend the Member for Elmet and Rothwell (Alec Shelbrooke) on his contribution to the debate.

As I say, all those hon. Members made their feelings known and I stress that what the BBC is apparently undertaking—I have not been briefed on this matter formally—is some kind of a consultation. However, hon. Members may recall the time that the BBC proposed to close BBC 6 Music. There was an outcry, many hon. Members became involved in the debate about that station, and the decision to close it was reversed by the BBC Trust. Therefore, if these apparent proposals by the BBC are firmed up, hon. Members will have a chance to lobby the BBC Trust and perhaps persuade its members that there are better ways to go forward.

Alec Shelbrooke: I just want to respond to the Minister's comments about how BBC 6 Music was due to be closed down and people lobbied against its closure. BBC 6 Music offered a unique service. I urge my hon. Friend to say to the BBC, "Get rid of the duplicity first and then let us see where we are".

Mr Vaizey: I am not sure whether my hon. Friend meant "duplicity" or "duplication". "Duplicity" may have been a Freudian slip there. [Laughter.] Let me also say that I am confident that the BBC is watching this debate. When I participated in the debate on Friday about the BBC, I received regular text messages from a

member of its corporate affairs department. To give the BBC due credit, it takes debates in this House very seriously.

Radio remains a very important medium in this country. Every week, more than 90% of the population consume more than a billion hours of radio in total. The radio landscape in the UK is more diverse than ever, with listeners having access to more than 20 national radio stations, 400 local radio stations and 200 community radio stations. The creation of a community radio landscape is something that the last Government can genuinely take credit for. In addition, internet radio makes it possible to listen to a diverse range of radio stations from across the globe.

We have debated the importance of localness in radio a number of times in this House and it was certainly a feature of the recent debate on changes in media ownership rules. Ensuring localness in radio is a key part of the regulatory regime for commercial radio and Ofcom is required to ensure that commercial radio produces an appropriate amount of local material. For many commercial stations, their local nature is their key differentiator. The location of their studios in the local high street, and the fact that their presenters travel the same roads to work as their listeners, allow those stations to speak more directly to their listeners than some other stations. That is true of both commercial and BBC services.

However, those local media businesses are competing in an increasingly global media market, and commercial radio in the UK has seen its total revenues fall in the past 10 years. So the needs of commercial businesses and the public policies of localness do not always sit easily together. Having said that, I am a supporter, for example, of some of the technology that some commercial radio companies are introducing to help them to reduce the fixed costs of local studios and avoid the duplication of resources. But I know that that is not always popular, as the hon. Member for Colchester (Bob Russell) made very clear in a debate that we had on the localness rules.

I also want to mention briefly the success of community radio, which was introduced by the last Government in 2004. Community radio has quickly grown into an important and thriving third tier of radio. Community services are the embodiment of local radio, with stations staffed and programmes presented by local volunteers. I am pleased that, last week, Ofcom announced a further round of licensing for community radio, so that even more communities can benefit from such stations. If hon. Members do not have a community radio station in or near their constituency, I urge them to look into community radio.

I promised to turn to the specific issue that my hon. Friend the Member for Suffolk Coastal raised, which is the speculation around the networking of the BBC's local and regional services. As I said, the suggestion that the BBC will scale down its nations and regions services and its network programming with BBC Radio Five Live is, at the moment, just speculation. The BBC is considering a number of proposals and absolutely no decision has been made at this time.

The hon. Member for Dudley North rightly pointed out that the reduction in resources for the BBC could present the corporation with some problems. However, it is worth looking at this issue of resources in the round. It was only a couple of years ago that the BBC was considering going into local video, in addition to

local radio. That proposal was fiercely opposed by many in this House because they wanted to preserve space for the commercial radio sector. The BBC had the resources then to make a significant expansion and therefore it does not need to consider making a significant contraction now. I will not pick up on the specific points that my hon. Friend the Member for North Thanet made, but he said that there are numerous ways in which the BBC could save money. Finally, I suspect that changes to local radio programming are driven more by editorial decisions than by the need to save money.

The hon. Member for Dudley North asked me a number of questions and I suggest that I should write to him in some detail about them. For example, to ask me as a Minister to opine on how BBC savings should be divided between national, regional and local services is to invite me to go beyond my brief in trying to decide how the BBC should use its money. But I am certainly happy to approach the director-general of the BBC to ask him what criteria he intends to apply and to ask for guarantees about programme quality and diversity. There is no doubt that some jobs may be lost in the BBC, but again that will be a matter for the BBC itself to consider.

The BBC now has a seven-year licence fee settlement. It has certainty of funding for the next seven years, which is something that no other media company in this country enjoys. It is quite right that the BBC should be examining the scope for efficiency savings while looking to deliver the best quality service possible with the funds available to it.

The BBC has launched its internal consultation, "Delivering Quality First", and the proposed changes to BBC local radio is just one topic of discussion. As I said, however, there is a bright future for local news and local content, not only with commercial radio, community radio and the move towards digital radio, but with a subject that I am surprised not a single hon. Member has mentioned in the debate—the advent of local television. Local television will bring a huge rebirth of local content across communities in this country, and we should see the first fruits of that initiative early next year.

Advice Centres (Barnsley and Sheffield)

11 am

Angela Smith (Penistone and Stocksbridge) (Lab): It is a pleasure to deliver my speech in this debate under your chairmanship, Mr Turner.

Most people never need to seek advice, and I hope that that remains the case, but some people, often through no fault of their own, find themselves in difficulty, with creditors knocking on the door or, in the most extreme circumstances, their homes being taken away. Such people are often going through a terrible time. They might have lost a partner or a job, or they might find that they cannot work anymore, and it is at such times that the advice centre comes into its own. It can offer practical help by guiding people to a safe haven and helping them to rebuild their lives.

My constituency is typical of many in this country, with parts in which deprivation levels are high and increasing worklessness and unemployment, which is not helped, it has to be said, by the cutting of public sector jobs. The constituency covers the north of Sheffield and the west of Barnsley, and it has three advice centres for an electorate of about 70,000. On the Sheffield side, the two advice centres, Chapel Green and Stocksbridge, are independent of Citizens Advice, and on the Barnsley side a citizens advice bureau covers most of the area. The centres' services are provided on very tight budgets, and the centres draw heavily on the contribution made by an army of well-trained and well-motivated volunteers—the original big society, even before it became a PR slogan.

Even when the economy was in good health and employment levels were at record highs, advice centres played an important role in supporting individuals who found themselves struggling with the business of everyday survival, and demand for such support is now rising because of the present economic climate. Unemployment is rising, and inflation is running at 5.5% on the RPI measure, with the cost of everyday items, particularly food and petrol, increasing significantly. People are feeling the pinch, and those who have lost their jobs are likely to need significant levels of support if they are to succeed in protecting their families and getting back on their feet. The Office for Budget Responsibility forecasts that as the Government spending cuts bite, personal indebtedness will increase by a massive £303 billion by 2015, meaning that average household debt will rise to £77,309—the previous projection was £66,291. To put it another way, household debt will rise to 170% of household income according to independent forecasts by a body set up by the Government themselves.

One of the advice centres in my constituency has informed me that it has recently seen a 13% increase in the number of people seeking advice. In Barnsley, the citizens advice bureau has seen a massive 25% increase in the level of debt that it is being asked to advise on—the debt totalled almost £18 million last year. The Barnsley centre now receives 50 new debt-related inquiries a day, and debt accounts for 60% of its work. That is a frightening figure by anyone's standards, and even more so in Barnsley, which will suffer particularly badly because of the cuts. All three advice centres agree that the situation will get worse as the Government's austerity drive gathers pace in the coming months and years.

[Angela Smith]

This is not a time, therefore, to cut funding to advice centres, but that is exactly what is happening, never mind that the financial inclusion fund has been reprieved. I acknowledge the fact that the Government have done that for the time being, but anyone familiar with the funding regimes that apply to advice centres knows that the centres typically sustain themselves from a number of sources.

Stocksbridge advice centre is isolated in a steel-producing community seven miles from the next nearest advice centre, and it has seen its £84,000 budget reduced to £29,000 for the financial year that is just starting, thanks to a number of decisions made by the Government. That is a massive cut by anyone's standards. The centre's biggest loss is the £42,000 it used to get from Yorkshire Forward, the regional development agency for Yorkshire and the Humber that the coalition Government have abolished. The centre has also been told by the Lib-Dem Sheffield city council that it will receive funding for only six months of the coming year, because the council is required to save £80 million in one year thanks to reductions in its Government grant, with further amounts to be cut from its budget in future years, of course. There is, therefore, only six months' guaranteed income from the council, after which the centre will have to bid for further funding for the rest of the year and beyond. The centre serves not only the steel town from which it takes its name, but a large rural area that extends well into the Peak District and to the wonderful market town of Penistone in Barnsley. The consequences of the reductions are that the number of paid staff will reduce from 2.6 to 0.9 full-time equivalents and the service provided will be put at risk, despite the eight doughty volunteers who give their time for free, week in and week out.

The centre's statistics clearly demonstrate its worth. Client gains in welfare benefits were in excess of £586,000 for the past year, which roughly equates to a £6 gain for every £1 spent by the centre. That does not include the amount of debt dealt with, which by October 2010 was well in excess of £500,000. In the past year, the centre also undertook 134 home visits; every MP knows that home visits are an essential part of any advice service, and we occasionally have to do them ourselves, visiting disabled people, for example, or the parents of children with special needs. The advice centre also represented 34 clients at social security tribunals. It is worth pointing out that the centre covers a huge geographical area to the north of Sheffield, including parts of western Barnsley and, as I have said, the next nearest advice centre is more than seven miles away, in Hillsborough, in the urban part of Sheffield. The Hillsborough centre is already working at full capacity, and could not take on the extra workload if Stocksbridge ceased to exist—it would be physically and financially impossible. A huge area would, therefore, be left without advice cover and, given that a large part of it is rural and rather isolated—we are talking about the Peak District national park in its north-eastern reaches—such a possibility is rather worrying, to say the least. The very idea that such a large area could be left without the provision is of huge concern to my constituents.

In the eastern part of my constituency, the local independent advice centre, Chapel Green, relies entirely on a grant from Sheffield city council for its survival.

Not only has that grant been cut by 11%, but the funding received is for only six months, which is the Lib-Dem council's policy, and the centre has been told that it will then have to compete for a share of any possible further funding. The centre covers not only the north-east of the city, but also part of the massive Parson Cross estate, the levels of deprivation of which are well known. The centre already runs on the work of volunteers and can only pay for a part-time manager, who is a very effective and dedicated individual. I run my surgeries from the Chapel Green advice centre on the fourth Saturday of every month, and the manager turns out every single time to welcome my constituents and to ensure that they are looked after while they wait to see me. That is the level of dedication that he shows in his work. He has been running the centre on a shoestring for years, but the financial situation is now deteriorating very rapidly, and if the centre is unsuccessful in gaining further funding, it will no doubt face closure.

Adequate debt advice will become unavailable to much of the population in north Sheffield, which involves about 40,000 people. The bit of Parson Cross covered by the advice centre has serious levels of deprivation. It was once part of Sheffield, Brightside, one of the most deprived constituencies in the north of England. The centre there secured £691,373.29 in unclaimed benefits for its clients during the financial year just closed. That is nearly £750,000 pumped into the local economy, with all the benefits accruing from that. This point must be read into this debate: advice centres secure moneys due to local people, which has a knock-on effect on the local economy and its shops and businesses at a time when those businesses need to be stimulated for their long-term survival.

The same centre reports that queries relating to debt increased by 21% over the past year, with telephone queries up by 6%. In Barnsley, the local Labour council has been able to maintain the CAB's funding of £195,000 for another year. I applaud Councillor Stephen Houghton for making the brave decision not to cut that funding in the face of a £26 million reduction in the moneys available to spend on services. He has recognised that the financial plight of many people living in his borough must be a top priority in terms of local services delivered. However, although the retention of the financial inclusion fund is also helpful, the future of Barnsley CAB is still uncertain, and although the grant level is being maintained, it is still being cut in real terms when inflation is taken into consideration.

The centre covers not only a large part of the west of my constituency but the rest of the borough of Barnsley, which features in any index of deprivation. If there is any borough in England that needs support even now, it is Barnsley. It has some of the highest levels of people on incapacity benefit in England, a lot of whom have long-term illness resulting from their work in the mining industry. People in Barnsley need support. In these difficult times, the Government must thoroughly reconsider the cumulative impact of their policies on advice centres. The future of those centres is at risk not only from the cuts that almost all of them face from local authorities but from their loss of funding from various other sources.

Although the big society is a great slogan, it still needs funding. Volunteers are great and do a valuable job, but they need support and training, which takes

money, and advice centres ultimately need paid professional input to work. The Government must understand that if we are really all in this together, advice centres need to be sustained. They provide critical individual support to tackle difficult and entrenched problems relating to issues such as debt, disability and housing.

The Government must also understand that it would be damaging to force through a centralised rationalisation of advice centre services by contracting out the work to call centres. When people are in trouble, they need the personalised and sensitive approach that they get from face-to-face service. As MPs, we know that most of our constituents are happy for us to deal with their problems after a quick e-mail or phone call, but some constituents have problems that are so complex and entrenched that they must meet us face to face at our surgeries in order to explain them so that we can work out what needs to be done. The same applies to advice centres, which need to be able to offer a face-to-face service.

The challenge is clear. Are we all in this together? If so, and if we believe in the big society, I ask the Government not to endanger an increasingly vital service that is valued by our communities.

11.14 am

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): I congratulate the hon. Member for Penistone and Stocksbridge (Angela Smith) on securing this debate. I regard the citizens advice bureaux in my constituency as incredibly important, as I know she does. If other Members were here to listen to this debate, they would be praising the valuable work done by CABs.

Like the hon. Lady, I hold advice surgeries in some of my local CABs and work with them closely. I do not think that I could do my job as a constituency MP properly without that partnership with my local citizens advice bureaux. They refer people to me sometimes, but I generally refer people to them. I agree completely with her and pay tribute to the many volunteers and staff who work in CABs. They do an amazing job.

I hold two advice surgeries a week, spending six to eight hours face to face with constituents, and I think that I see only the tip of the iceberg of the social issues out there. The hon. Lady spoke particularly about debt. She is absolutely right that citizens advice bureaux play a critical role in debt management. We are currently consulting on consumer credit and personal insolvency, and after the recess, we will be responding to the evidence that we have received on the issue. The overall way in which we treat debt management and advice must be thought through more carefully than it has been. We can do a lot more for a lot more people with the money that we have.

The hon. Lady made a powerful case for her constituency and the advice centres there. However, what she did not say—I am sorry to pull her up on this point, as I have a lot of sympathy for what she said—is that the Government are dealing with a huge Budget deficit, the largest in our peacetime. We have had to take tough decisions. I had to see the previous chief executive of Citizens Advice to tell that organisation in-year that it had to make serious budget cuts. That was probably my most difficult meeting and the most difficult decision to take.

However, I am delighted that in this coming year, we have been able through the spending review to protect the budget that the Department provides for Citizens Advice and Citizens Advice Scotland. That will make an important contribution to all citizens advice bureaux across the country for provision of IT and other services.

Angela Smith: The key point that I made was that not all advice centres are run by Citizens Advice. The cumulative impact of the loss of funding from various sources is creating the problem. I could contest the point about the deficit and the Government's way of dealing with it, but my key point and priority is that the funding for one of my advice centres has been cut from £84,000 to £29,000 in this financial year, and its viability is at risk.

Mr Davey: The hon. Lady is right to make the point that it is not just about Citizens Advice. I take that on board. In considering debt advice, we want to ensure that we look across the whole piece both locally and nationally, as numerous organisations have a national locus in that area. She is also right to say that citizens advice bureaux rely on many sources of money. That is why I recently met the Minister with responsibility for civil society, the hon. Member for Ruislip, Northwood and Pinner (Mr Hurd), and Ministers from other Departments with an interest in the area, such as the Department for Work and Pensions and the Ministry of Justice, to ensure that we take a cross-Government view of funding for the advice sector. It is critical.

The hon. Lady is right to mention the cumulative impact. From the perspective of my Department, in funding Citizens Advice—and, as she was kind enough to say, in securing the financial inclusion fund for face-to-face debt advice—we believe that we are playing our part. Working with colleagues across Government, we want to consider not just the current year but the next few years to ensure that there are no unintended consequences resulting from a failure to join up the different parts of Government.

Focusing on the issues raised by the hon. Lady, she spent a little time, as I have mentioned, on debt advice. She said that the Office for Budget Responsibility would see an increase in indebtedness, which is absolutely true. It is already incredibly high. We have already seen, over the past few years, a massive increase in indebtedness, which is why more money has been spent by both the previous Government and this Government in this area. That is also why we have to think carefully about how we manage the issue. Whether it is through the phone, the internet, or face to face, we need to make sure that we provide the services that people actually need. We need to go deeply into this, because there are other issues in relation to debt advice about which we need to think carefully.

We need to think about mental health. People with debt problems often suffer mental health problems as well—it is a huge relationship—so we need to think about how we manage that. We need to think carefully about how we encourage people to come forward early enough to get support and advice. We need to make sure that the voluntary and charitable sectors are well known enough among people who suffer from debt, so that people who have problems do not just go to people in the private sector who provide very expensive debt

[Mr Davey]

advice and sometimes make the problem even worse. We need to make sure that they know that advice centres are available.

I think that the hon. Lady and I have the same objective in mind. I shall not suggest that her constituency is the same as mine, because there are different levels of deprivation, but I assure her that mine, as well as those of all Members, has pockets of deprivation and people who need the services under discussion.

The hon. Lady mentioned the situation in Barnsley and Sheffield. She will know, of course, that local authorities make decisions on funding local bureaux. Such decisions are not made by national Government. The previous Government took that view. There is not some sort of centralised support for individual bureaux, and I hope that she was not suggesting that we should do that.

Angela Smith: What I am saying is that the Liberal Democrat council in Sheffield has cut funding and has given it for only six months. The key point, however, in relation to Stocksbridge advice centre is that it has lost £42,000 as a result of the abolition of the regional development agency. That is Government policy—it has nothing to do with the local council.

Mr Davey: I think that we agreed earlier that there are different sources of funding for advice services. That is why I am meeting other Ministers from across the Government to make sure that, as we think through the next few years, we recognise those sorts of issues.

The hon. Lady talked about Sheffield city council, which, like many other local authorities, has had a tough settlement. It has to make some tough decisions and no one pretends otherwise. We cannot get out of the massive deficit that we are in, in any sensible way, without taking some difficult decisions. I will not second-guess the decisions that Sheffield city council are taking. The hon. Lady has pointed out a number of times that Chapel Green and Stocksbridge advice centres have been given funding for only the first six months of this financial year, but my understanding is that Sheffield city council—the same is true of a number of local authorities throughout the country—is doing a review of the provision of advice within the city and looking to move to a new commissioning process later this year. Of course, that entails a degree of uncertainty in the short term, but the objective, as I understand it, is to make sure that advice services can get support over the forthcoming years, and get it in the most effective way possible. Nationally, we are reviewing the way in which advice is provided, and I do not think it unreasonable that local authorities are reviewing that, too. I certainly hope that, when they have made those reviews, they will be in a position whereby they can stably fund their local advice centres.

One of the issues that always comes up in my area—our council has responded to this—is the need to help the voluntary sector in general and the CAB in particular know their budgets for, ideally, about three years. Sometimes, however, an initial strategic review is needed to arrive at that certainty. It is up to Sheffield city council how it does its review and which new commissioning process to undertake. My understanding is that the review looks

at the whole of the advice sector in Sheffield city council and that all independent advice providers, as well as the CAB, will be eligible to apply in the new process.

There is a local, independent consortium of advice agencies in the south Yorkshire area. Advice Sheffield includes the CAB and independent providers and it is looking at how it can reshape advice provision in Sheffield to ensure that the services are available to those who need them. It is interesting that that consortium of advice agencies also wants to see how it can improve the provision of its advice. Although it recognises that we are in difficult financial times as we try to tackle the deficit, it is doing its best for local people. It is right that advice providers, as well as local authorities, think strategically.

I want to make sure that I answer some of the hon. Lady's core questions. She made an important point about the support that advice surgeries give to people who need to claim benefits, often making them realise that they are entitled to benefits in the first place. It is certainly important that they secure many benefit deals. I do not think, certainly from the evidence that our Department is receiving, that those sorts of services will be taken away from people. I assure the hon. Lady that we are looking at the issue closely. The evidence that we are getting is that budgets are tight and there is absolutely no dispute about that, but what we are not seeing—I pay tribute to the local authorities that are playing a key role in this—is a whole set of bureaux closing. We want to make sure that they can continue.

We are taking a lot of other long-term decisions. I have mentioned debt advice, but we are also undertaking a consumer landscape review—we published a consultation in either May or June—which will address the consumer space, which has a whole range of different national and regional organisations. We want to see whether we can get better value for money for consumers and citizens from the confusing plethora of fragmented aspects of the sector. The organisation that we have asked to lead that is the National Association of Citizens Advice Bureaux. That involves not just the national organisation, where a lot of the national work will be done, but its relationship with local bureaux, which are, in many ways, the front line for consumers and citizens to make sure that they have the information they need and that they can register their concerns and complaints and get advice or redress in relation to their benefit claims.

Angela Smith: It has to be pointed out that I have still not received an answer to my key point, which is that Stocksbridge advice centre is living on borrowed time. The £42,000 to which I referred was European funding that was directed through the regional development agency, and that has now disappeared altogether. What will the Government do to ensure that moneys due to areas such as Sheffield will stay in Sheffield?

Mr Davey: If the Minister of State, Department for Business, Innovation and Skills, my hon. Friend the Member for Hertford and Stortford (Mr Prisk) was present, he would no doubt explain to the hon. Lady that, although major changes are taking place due to the RDAs going and local enterprise partnerships being set up, the European money to which she referred, which was channelled through Yorkshire Forward to

her CAB, can still, we believe, be obtained. I cannot tell her how it will be allocated, because Yorkshire Forward will no longer exist, but it is not true to say that that money will all be lost to the system.

I share the hon. Lady's concern that these are challenging times for the CAB, but our Department is making sure that the national organisation has its funding protected. We believe that, working across Departments and with local authorities, we can ensure that the advice that is sorely needed will be available.

11.29 am

Sitting suspended.

Groceries Code Adjudicator

[MR ROGER GALE *in the Chair*]

2.30 pm

Gavin Williamson (South Staffordshire) (Con): May I say what a pleasure it is to serve under such esteemed chairmanship, Mr Gale? You will bring an enlightened and seasoned touch to the proceedings. In many ways, I would have loved to entitle the debate "supermarket ombudsman" because so many people understand what that means. When I told my local paper that I had a very important debate on the groceries code adjudicator, there was a blank silence on the other end of the phone. I tried to ensure that the person concerned understood what an important debate it was, but I am afraid that a blank silence still greeted me on the other end of the phone.

This important debate is about so much more than just farming or processes; it is about our supermarkets and everything we do and rely on. I do not come to this debate as a farmer or with any great farming heritage. I confess that I spent a week helping out a friend on a dairy farm, which involved cows standing on me, sitting on me and doing something else on me. However, I will not go into those details because I do not hold that against either the dairy industry or cows. This is an important debate because we need to get to the bottom of making sure that the grocery market works fairly, impartially and in the best possible way.

I will not be making some rabid rant against the supermarkets or decrying what they do in wider society. In my constituency, supermarkets are a major employer, as I am sure they are in the constituencies of every hon. Member here. They are an important part of our social fabric and they contribute much—whether we are talking about Tesco, Waitrose, Asda, Sainsbury's, Morrisons or the Co-op. I think I have covered them all.

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): Marks and Spencer.

Gavin Williamson: Marks and Spencer, indeed. Thank you, Minister, for that contribution. They all make a valued contribution but, as I said, it is about balance and fairness.

I called the debate because of a letter I received about a month ago. If you will indulge me, Mr Gale, I shall read it. The letter states:

"I am writing to you in sheer desperation, it's 2 am, and I can't sleep. The fact is we are dairy farmers and we cannot pay our bills. We need to buy more feed and don't know how to finance it... The simple fact is we have been producing milk and selling it at the cost of production for about 3 years, and now we are below the cost of production, with large increases in the world's wheat prices putting feed up and fuel prices having a knock-on effect on everything else.

We have had the worst winter for the weather, putting stress on the animals and equipment and severe stress on our own health.

About 3 years ago milk to the consumer went up about 3p per litre and ours to the producer went down about 3p. Cream has had a lot of very high prices, it's never passed on. We are only getting 24p per litre and we are now talking of an increase for April of 1¼ p per litre".

[Gavin Williamson]

That does not even take them to break-even level. The letter goes on:

"When we have challenged the dairy they say the supermarkets are to blame and the cheap price war to sell milk as a loss leader... Supermarkets are making billions and are more powerful than the Government... The decision for us is so bleak. We may have to sell up. When an increase comes it will be too late.

This last year 400 dairy producers have gone out of milk. We will just be another statistic.

Yours, waiting for a miracle."

Glyn Davies (Montgomeryshire) (Con): I, too, have received letters very much along those lines—as I am sure a lot of other hon. Members who represent rural areas have. Does my hon. Friend agree that it is crucial for the ombudsman to have real teeth and power? As he said, supermarkets are very powerful, impressive businesses. However, the ombudsman must have genuine teeth and power if it is going to have any real impact and effect.

Gavin Williamson: My hon. Friend makes a very good point. That is certainly an issue I will move on to as I go through my speech. It is absolutely crucial that an adjudicator has teeth.

That letter states:

"yours, waiting for a miracle."

We all understand that, as Members of Parliament, we cannot dispense miracles. We do not have that ability. If we did, I am sure we would all be re-elected. What we can do is effect change and make a difference to many people's lives. I am not saying that, as politicians, we should be setting prices. However, we should be ensuring fairness in the marketplace.

Philip Davies (Shipley) (Con): Does my hon. Friend envisage that an ombudsman or adjudicator would apply only to suppliers such as small farmers, or does he think it should apply to the vast bulk of supermarket suppliers—companies such as Procter and Gamble, Mars, Heinz and Coca-Cola? Those companies make huge profits and most people think that they are more than capable of looking after themselves in any negotiation. Does he envisage that the adjudicator will cover all companies or just small suppliers?

Gavin Williamson: My hon. Friend makes a very valid point. However, the adjudicator has to look across the whole market. We cannot look at farmers in isolation because they are part of a process and a route to market. Farmers are at the very start of the process. The product does not go straight from the farm gate to the supermarket; in many cases it goes through a distribution chain. For an adjudicator to be effective, it has to look at the whole process. My hon. Friend makes the valid point that many of these businesses are substantial, major businesses that are present in our constituencies up and down the country. Whether someone is selling pigs or pizzas, the competitive market and the supermarkets have a major impact on that business.

Roger Williams (Brecon and Radnorshire) (LD): I congratulate the hon. Gentleman on securing the debate. In response to the comments of the hon. Member for Shipley (Philip Davies), I wish to say that there should

be fairness in marketing practices across the board—whether we are talking about small or large companies. It just so happens that the smaller a company is, the less likely it is that it will be able to employ the legal means to ensure fair competition.

Gavin Williamson: My hon. Friend makes a valid point. I agree with him and I will try to touch on those points later in the debate.

Albert Owen (Ynys Môn) (Lab): The hon. Gentleman is right to talk about fairness. I know that the hon. Member for Shipley (Philip Davies) has made those points before and has been consistent on the matter. However, in the spirit of fairness, is it not also right that the large supermarkets should have access to an adjudicator—an ombudsman—so that we have true fairness throughout the grocery market industry?

Gavin Williamson: The hon. Gentleman, who is probably one of the most knowledgeable people on the matter in this Chamber, touched on a valid point. When an adjudicator is up and running, which I hope will be in the near future, it will be of benefit to all sectors within the whole supply chain—as I say, from the farm all the way to the supermarket.

I remember almost a year ago, during the general election, speaking to many people in my constituency along the highways and byways of South Staffordshire. The subject was raised with me again and again by not just farmers but many people who are concerned about our countryside, our rural way of life and whether there is always balance and fairness within the system. When I was travelling along the highways and byways of South Staffordshire, I remember saying to many of those people that, in our manifesto, we were going to do something about the issue and that we would have a supermarket ombudsman—a groceries code adjudicator. That was a promise that I made in my manifesto. I accept that the Minister had a slightly different manifesto in his election campaign. I also accept that he might not have met many dairy farmers in Kingston and Surbiton, though he will be able to correct me if that is not the case.

Tim Farron (Westmorland and Lonsdale) (LD): My hon. Friend makes a powerful case and I congratulate him on securing the debate. Just to inform him, the Liberal Democrat manifesto was also committed to what we called not a groceries code adjudicator but a supermarket regulator. Whatever the title, the critical point is not just about the powers, but whether it is a proactive body. The difficulty with the supermarket ombudsman, the ombudsman that we know and love, is that it is a reactive body. We do not want to be in a situation where dairy farmers—I meet many—are in a position where they fear, right or wrongly, that if they refer their case to the ombudsman they may then be a target for the supermarket. Surely the new body, whatever we call it, has to have proactive powers of its own to go out looking for trouble, to ensure that we have fair trade at home as well as abroad.

Gavin Williamson: My hon. Friend the Member for St Ives (Andrew George) is also keen to make a contribution.

Andrew George (St Ives) (LD): In relation to the history of how we got to where we are—I do not have time in an intervention to give a full history—it has been Liberal Democrat policy, as my hon. Friend the Member for Westmorland and Lonsdale (Tim Farron) expressed, for a number of years. I was pleased that the Conservatives adopted the policy in early 2010. Indeed, the previous Government also had a similar policy. All three main parties are pushing in precisely the same direction and it is time for us to push it to a conclusion as quickly as possible.

Gavin Williamson: I think that, in a single debate, I have created a grand coalition of bonhomie right across the political spectrum. That is to be welcomed. The points that my hon. Friends make are highly valid, because this is about getting it right. There is a coalition of interests, if I may use that phrase, right across the spectrum that includes politicians, producers, farmers and even some supermarkets, such as Waitrose, who are in favour of achieving this. My hon. Friends have made the important point that we have all put this policy in our manifestos and in the coalition agreement.

I want to see three key things in a groceries code adjudicator as a result of this debate. The first is timing. We have been waiting. It is almost a year since the general election. It was a clear commitment in the coalition agreement. I accept that there are many demands—very many demands—on the time of the Minister and his Department, but we need to deliver on this because we have made a clear commitment that we will do so, and we need to make sure that we do so swiftly.

When we talk about dispute, we all tend to think about price. It is not just about price. It is often about terms and conditions and how people operate. Before I entered this House I was a potter. I appreciate that being a potter is somewhat different to being a pig farmer, and I did not sell to the grocery multiples, but I did sell to many high street multiples. I always remember going into the factory one day and opening up a letter from a major high street store group. I will spare its blushes; I will not mention its name. We had reached an agreement that I would be paid within 30 days, at an agreed price that seemed to be fair, and it had given me a commitment to purchase from me at that price. The letter said quite clearly that, instead of paying me within 30 days, it would pay me within 120 days. If I wanted to be paid within 60 days, it would pay me within 60 days, but would take a 6% discount—take it or leave it. That is a difficult situation.

Whether it is pots or pizzas, it is still the same situation. I had the factory, and people's wages had to be paid. A commercial agreement had been reached, which often involved making sure that we had the right packaging and designing certain specific products for that retailer. Then, with one fell swoop, suddenly everything changed. That 6% is often all the profit there is to be made on a product.

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): My hon. Friend mentioned the coalition of interests, but did not mention where the public might come into this. Does he agree that, if the general public knew that supermarkets were making a 22p a litre profit on milk yet farmers were producing at a 4p a litre loss, public attitudes would change? If the

general public knew his business experiences and what I have just described, would the ombudsman have a greater chance of success?

Gavin Williamson: My hon. Friend is absolutely right. One of the greatest attributes of the British people is their fair-mindedness. People would like to see fair trade, not just abroad but in this country too. Many hon. Members will say that the Government are not there to fix prices. I could not agree more, but sometimes there are distortions in a market. When producers are so small and insignificant that they cannot argue on the issue of price, sometimes they are simple victims of that market, just like the farmer I mentioned earlier who wrote to me on this issue.

I urge the Minister to act swiftly to introduce a groceries code adjudicator Bill. A number of months ago, the aim was to bring a draft Bill before the House before the Easter recess. We are pretty close to that Easter recess. I understand, or I hope, that something will be brought to the House after the Easter recess. I appreciate that everything in government has the potential to slip, but I seek reassurance from the Minister that he will put all his effort into ensuring that there is no further slippage and that a Bill is brought before the House. We must ensure that the Bill will bring help and support right across the process, and bring the balance and fairness that not only we, as politicians, want to see, but the British people want to see.

The second vital issue is what the adjudicator is able to do. There has been much talk about the adjudicator being able to name and shame, and being able to issue a press release in order to embarrass those who act wrongly. I am afraid to say that I do not believe that a press release will be quite enough to make sure that we have an adjudicator that works well and works properly. As I say, this debate is not just about farmers, but about producers and supermarkets—all the way through the process. I would expect any adjudicator to have firm powers to fine. I would also expect, however, any adjudicator to use fines with prudence, rarely and only when it is required, because an adjudicator will, in many ways, have failed if it cannot sort out a situation through negotiation, discussion and bringing people together. We only have to look at other ombudsmen or regulators that have been set up in the past. Those organisations have been successful if they have some ability to enforce what they have found to be right and just. If we do not give an adjudicator that right, my fear is that they will be a mere fig leaf and an excuse of an organisation in which no one will have any confidence.

Philip Davies: My only concern with my hon. Friend's comments is that this appears to be a solution looking for a problem. We already have a supermarket code of practice that stops such things as retrospective changes to deals between supermarkets and suppliers. That is already overseen by the Office of Fair Trading. If anybody wishes to make a complaint, they can already do so to the OFT. The OFT did research, and it could not find any material breaches of the supermarket code. I am, therefore, not entirely sure what the problem is to which my hon. Friend is advocating a solution.

Gavin Williamson: I thank my hon. Friend for his comments. If one were to speak to many people, one would find that there seem to be continued abuses,

[Gavin Williamson]

sometimes at a small level and sometimes at a major level. I still believe that the confidence to report where abuses occur is not out there. As a producer myself, I would have been highly reluctant to make an official complaint against, potentially, one of my largest customers. I am not saying that the best in the industry would have a small-minded attitude but equally, unfortunately, there are some poor operators.

Andrew George: May I refer my hon. Friend to the Competition Commission report in 2008, which identified the unexpected costs and excessive risks as a problem in the supply chain? The commission used its power to establish a statutory code, rather than the voluntary code previously in place, but the situation is rather like a game of rugby which has the rules of rugby but no referee. That is why we need an adjudicator, because no one is keeping an eye on that code at the moment.

Gavin Williamson: The clear feeling among the whole industry, with the possible exception of the British Retail Consortium, is that an adjudicator is required. The code, which I am sure most Members, if not all, welcomed, did not go that one step further to ensure fairness.

Tim Farron: The great difficulty is that an adjudicator or a supermarket ombudsman who is too weak and a code that is not enforced act as a badge of respectability for supermarkets, which can pretend that they are being regulated and that producers are being protected when they are not. A weak ombudsman could be worse than none.

Gavin Williamson: It comes down to a matter of pride and respect. I have always been of the belief that we should legislate as little as possible, because it does not always bring goodness and greatness to everything, but when we do legislate, we must ensure that it is right and will lead to positive change and a positive influence for the good. Therefore, if we are to have an adjudicator, that adjudicator must have the ability to fine. I hope that the Minister can take that on board. I appreciate that there will be many siren voices whispering into his ear about how such a step would be retrograde, but I point to how rarely most ombudsman organisations use the ability to fine or to level penalties. It is incredibly rare because people never want to go down that route except as a last resort.

My final point is about anonymity, which is vital. My hon. Friend the Member for Shipley pointed out that there is a grocery code and asked why more and more people were not coming forward. However, there is a real fear about doing so. Often, if people do come forward, it is so easy to identify who they are. As I mentioned earlier, I am sure that 99% of our best and greatest supermarkets would never dream of taking recompense from a supplier, but there is a fear that that might well happen. Therefore it is vital that, as part of the Bill, if and hopefully when it is published, trade bodies, organisations and associations will have the ability to put forward concerns, and the adjudicator will be able to initiate an investigation.

Such a process would have to be done on the basis of evidence. No one in the farming or processing industries or the supermarkets wants to see an excess of investigations, which cost time and money and are distracting to business. I do not want to see that, and nor would many other Members. However, that ability to have an investigation has to be available. We will not always have a producer who is brave enough to go to the adjudicator and say, "This is the problem." Sometimes, quite rightly, producers might want to hide behind—that is probably the wrong phraseology—or be protected by the trade association or organisation, which would be making representations to the adjudicator, with the adjudicator instigating an investigation.

Many problems are associated with our supermarkets, but so much more about them is absolutely fantastic and works incredibly well. I hope that the Minister can take on board the three principal issues: to ensure the introduction and progress of the Bill, so that it becomes a reality and we have a supermarket adjudicator; the importance of anonymity and that we must protect suppliers from the worst excesses; and, most important, to ensure that the adjudicator can enforce its actions and levy fines.

None of us wants a weak, ineffectual, pointless adjudicator which will cost everyone something but achieve nothing. Neither I nor the Minister, I am sure, want that. Many people throughout the processing, farming and agricultural industries firmly believe that those three principal things are required. I have no doubt that the Minister will deliver on what so many are expecting.

2.56 pm

Albert Owen (Ynys Môn) (Lab): It is a pleasure to serve under your chairmanship, Mr Gale, and to follow the hon. Member for South Staffordshire (Gavin Williamson), who made a very good contribution to the debate. I will not go into the details, because the hon. Gentleman has summarised where we are today and the history of the call from across the House and the parties for an ombudsman—I will use that term, because it is appropriate.

I am the hon. Member who promoted a private Member's Bill on a grocery market ombudsman, which had all-party support in the previous Parliament. Importantly, the Bill received not only cross-party support but support from across the regions and nations of the United Kingdom. The promoters of the Bill brought to the debate deep knowledge of different parts of the industry and of the United Kingdom. From the outset, it is important to say, as the hon. Member for South Staffordshire has done, that I support supermarkets. However, I also support suppliers and consumers, and it was in the spirit of fairness that I sponsored the Bill in the previous Parliament.

I pay tribute to the hon. Member for St Ives (Andrew George) for his work on the issue over a long period. As the able chair of the grocery market action group, he brought together a big coalition including not only the farming unions, which were prominent with their calls for fairness on dairy and other produce, but non-governmental organisations, which are important in fair trade issues in this country and throughout the world, community groups and consumer groups, including

the Women's Institute. No politician, including the Minister, can ignore the WI, which was a member of that broad coalition of supporters of an ombudsman. Another member was the Association of Convenience Stores, which represents the small shops that bear the brunt of the situation.

The power of the supermarkets was deemed too much, not by politicians but by a proper inquiry by the Competition Commission. Its recommendations in the 2008 report called for a new code, because the existing voluntary code was not working. The new code came into effect in 2010, but it needs a referee—an adjudicator or ombudsman—to ensure that it stands credibly for the fairness that we all want.

I pay tribute to all the other parties as well. When I set off on the track of the private Member's Bill, what the parties stood for on an ombudsman was a grey area. When my party was in government, I remember approaching Conservative Front Benchers, who said, "Well, we are not really sure how this will work in practice," but all of a sudden there was great movement and strong lobbying with an election in view. It was exactly the same in my party—I am not making a partisan point; I am giving the details.

The Department for Environment, Food and Rural Affairs was 100% supportive of the Bill, but the Department for Business, Innovation and Skills was less supportive. To be fair to the Liberal Democrats, they used different words, but they said exactly the same thing. They wanted an ombudsman, and at one time there was a proposal to introduce a food standards ombudsman. They wanted the fairness that the hon. Member for South Staffordshire has discussed. We have moved a long way.

My Bill received a Second Reading. There were some strong arguments against it, and I pay credit to the hon. Member for Shipley (Philip Davies) for his consistency. I respect his standpoint, and it was good to have the debate. The Bill went into Committee, but it did not make the wash-up, although the issue made it into all the manifestos, which is important. All the major parties went into the general election calling for an ombudsman with real teeth to enforce the code of practice for the grocery market. The previous Government conducted a consultation from February 2010 to April 2010. When the coalition Government were formed, they made their commitment clear at the start, and they followed through on the consultation. When the executive summary was published, the Minister was gracious enough to give me a copy of it and a copy of the Government response, which was thorough in its conclusions as well as in its overview.

There was, rightly, a commitment in the coalition agreement to introduce an ombudsman adjudicator at the first possible opportunity, and I remind hon. Members that during the general election the introduction of an adjudicator was a priority for the major parties. A priority should go into the first Queen's Speech after an election, and that is what should have happened, but the issue drifted. I want the Minister to explain why the issue is so difficult. It has cross-party support and consensus, and a broad coalition of groups outside the House supports it. A priority issue should go ahead quickly.

The Government's response was positive in many ways. I have referred to "the ombudsman", but I was lobbied by the British and Irish Ombudsman Association,

which said that it did not want the word to be used. Fair enough, we can live with a different title, and adjudicator or enforcer would be adequate. I am comfortable that that post will be housed with the Office for Fair Trading, because that is sensible and will keep costs down as long as it does not interfere with the OFT's consumer work. However, it must be independent of the Government and the OFT, if it is to do its job properly, which we all want.

Time is moving on, and there is talk of a draft Bill. As the hon. Member for South Staffordshire has said, the draft Bill was to be published before Easter, but now it will be published after Easter. Will the Minister clarify whether there will be another Queen's Speech before it can make progress through the House? I think that it will make progress, but time is moving on. The group to which I have referred still wants an ombudsman. The farming unions, consumers and fair traders want an ombudsman to ensure that the code of practice is adhered to.

We are fast approaching the second anniversary of the code coming into being following the Competition Commission's report. Cynics will say that if a gap is left, the supermarkets will behave for a period. As the hon. Member for Westmorland and Lonsdale (Tim Farron) has said, they will use the code as a badge of honour, and people will question whether an ombudsman or adjudicator is needed. It is not only cynics who think that, because concerned farmers, businesses and suppliers have written to me to express their worry that the coalition Government have lost interest in the matter. Perhaps the Minister will respond to that.

Let us remind ourselves why an ombudsman is needed. The Competition Commission's inquiry and report in 2008 contained clear recommendations. There was a long period of consultation under the previous and current Governments, but we are now seeing long-grass politics. It is no longer a priority, and it has been kicked into the long grass. I know that the Government are faced with big issues, but every new Government face issues that are not of their making, and they must deal with them. When a political party forms a Government saying that it has a priority to introduce something, it should do so as soon as possible.

I want a proactive and independent adjudicator to look at the entire grocery market and to provide safeguards and protection for small companies. If those companies do not want to be named, they should be allowed anonymity, so that they can take their complaint forward positively. I want the ombudsman to be able to levy penalties for abuse of the code. As the hon. Member for Montgomeryshire (Glyn Davies) has said—he is no longer in his place—the ombudsman or adjudicator must have teeth.

We are already 12 months into the new Parliament, and I am worried about the Bill's slippage. I would like to see a draft Bill as soon as possible. I will not detain the Chamber by going over the arguments that I have summarised, but I hope that the Minister will tell us today a specific date for the draft Bill, although I do not understand why it needs to be in draft form. During previous Parliaments while I have been a Member of the House, I have wanted draft legislation on difficult issues, but the matter before us has been debated to death and there is near consensus. I do not understand the need for draft legislation. The Bill could have been

[Albert Owen]

introduced with the good will of the political parties, all of which included the issue in their manifestos. There has been proper consultation, and everyone has had the opportunity to be consulted and to put their views. I hope that the adjudicator that the Minister has talked about will come into being very soon, that we achieve the fairness that everyone wants, that we obtain a grocery market that we can all be proud of, that each and every part of the grocery market is included in the code and that the adjudicator has the licence and the teeth to ensure that there are no abuses. I hope that we can move forward on that.

This has been a good debate. There is consensus, so let us retain that consensus. As the hon. Member for St Ives has said, we are all pushing in the same direction, but we must push the Minister a little harder so that his Department delivers the adjudicator.

3.7 pm

Neil Parish (Tiverton and Honiton) (Con): I welcome this debate, introduced by my hon. Friend the Member for South Staffordshire (Gavin Williamson), because it is so necessary that the question of an adjudicator should be discussed. Many hon. Members have made the point that the issue has cross-party support, and with other hon. Members I urge the Minister to give a clear timetable of exactly when the grocery adjudicator will come into being. It is essential that we send the right message to the industry, supermarkets and consumers.

Many hon. Members have said that we are all champions of the consumer, because our constituents and voters are all consumers, and they are keen to get a good deal. They are keen to ensure that when they buy from supermarkets, a fair amount of the money goes back to those who produce the goods—the meat, milk, vegetables and so on. They want a fair share to go into the pockets of those who produce the goods.

Philip Davies: My hon. Friend will know that the supermarket industry is worth about £130 billion a year. If the outcome of having an ombudsman is that a bigger slice of the cake goes to producers, and they receive perhaps only 1% more income, that will add £1.3 billion to food bills. Given that people are already struggling to pay their bills at this difficult time, why does my hon. Friend want to add another £1.3 billion to people's food bills, including those of his constituents?

Neil Parish: Quite the opposite. I do not want to add another £1.3 billion to consumers' bills, but to make sure that the supermarkets are not taking £1.3 billion extra in profit from the overall trade when they are not entitled to it. They have used their muscle in the marketplace to drive down the price that they pay producers. To be perfectly honest, I have no sympathy with my hon. Friend's position. Tesco has 32% of the retail trade, and if that is not a huge monopoly position, I will eat my hat.

Andrew George: Is it not telling that, in the teeth of the most recent recession, the largest supermarkets were posting record profits?

Neil Parish: Absolutely. I welcome the hon. Gentleman's comment. Again, to take a wonderful, if perhaps slightly overused, word, this is all about fairness. The supermarkets have huge investments, and they are entitled to a fair profit, but if they use their situation to drive prices down for the producer and keep prices up for the consumer, they are taking too much out of the market.

Those of us who represent rural constituencies very much want agriculture and the growers to get a fair deal from the marketplace. I spent 10 years in the European Parliament; we can talk about the common agricultural policy and about whether we should be subsidised. In the end, however, it would be far better if farmers did not have to be supported through a subsidy. What they actually want is a fair deal from the marketplace.

Historically, the previous Government held an inquiry in their early days into Milk Marque, a large co-operative that bought 37% of the milk in this country. Subsequently, the Office of Fair Trading split the organisation up because it was considered a monopoly. We now have a supermarket with 32% of the trade in this country, but it is not considered a monopoly. I am not going to push the Government to go to war with Tesco, and nor do I want to go to war with Tesco, but I want to put clearly on the record that we must stop being so mealy-mouthed about these things, because, in the end, these guys have huge power.

My hon. Friend the Member for South Staffordshire put it very well when he talked about his pottery business. He said he had a large buyer, who had come along and said, "I'm not going to accept the deal that we've done. I want to pay you less. I want to pay you late. That is the deal. Take it or leave it." That is what the adjudicator needs to sort out as far as food production is concerned. They have to make sure that buying power and scale do not drive prices down.

When the supermarkets decide to have a price war, all consumers are grateful. I would be the last to say that such things should not happen, because that is competition. However, when the supermarkets go into that price war, they must not turn around and tell producers, "Okay, we're having a war with our neighbouring supermarkets, so we will drive down the price we pay you." They then drive prices down to below the cost of production. Milk prices are now 3p or 4p below the cost of production. Pig prices are £20 per pig below the cost of production. Cereal prices are probably the highest we have seen for many years, if not the highest we have ever seen. That is adding to industry's costs, but it is not reflected in the price that the supermarkets and big buyers pay producers. That is why we are so keen to have an adjudicator.

I agree with my hon. Friend and other Members that the adjudicator must have real teeth so that they can take action to stop abuses. I do not think that there will be a huge bureaucracy and a huge problem, provided that the adjudicator has the right muscle and teeth. If they do, they will not need to be used in most cases, because the producer, processor or whoever will be able simply to threaten to go to the adjudicator. That is when the system will really work—not when people have to go through the whole process. People need to be able to go to somebody who can check what is happening.

Smaller producers, in particular, do not need necessarily to declare exactly who they are. I know that that is a more difficult issue, but there is such huge pressure on smaller producers to avoid being targeted by those with

power in the market. Edward Heath, who was perhaps not always the most popular man in the world, spoke about the unacceptable face of capitalism, but is what we are talking about perhaps not the unacceptable face of the market? As a Conservative, it is perhaps dangerous for me to talk of such matters, but if there are huge, dominant players in the market, smaller producers can be pushed out of business.

I am sure that the adjudicator will be welcomed across the House, but I have one final point for the Minister, to which I am sure he will respond when he sums up. I thank my hon. Friend the Member for South Staffordshire for raising this essential issue, but I wonder whether we can have a real time scale for the Bill. It was to have been published before Easter, and I accept that Easter is coming and that we are obviously not going to see it. When will it come out? How long will the draft stage take? One or two Members, including the hon. Member for Ynys Môn (Albert Owen), asked whether we need a draft and whether the issue is being kicked into the long grass. I do not believe that it is, but the Minister needs to reassure us of that, because many people are pinning great hopes on the adjudicator.

3.17 pm

Roger Williams (Brecon and Radnorshire) (LD): I will try to keep my comments relatively brief so that the Minister can address many of the questions that have been asked.

I want to place on the record my entries in the Register of Members' Financial Interests. I am a producer of beef cattle and sheep. My beef cattle go to the St Merryn slaughterhouse in Merthyr, which supplies Tesco and McDonald's. My sheep go to Farmers Fresh—and where they go afterwards, I do not really know, but I suspect that some end up in supermarkets.

Many of the arguments that have been used to reinforce the proposal for a grocery code adjudicator have been made before. However, it is useful that the hon. Member for South Staffordshire (Gavin Williamson) has been able to secure this debate so that we can put the issue under the Minister's nose, to remind him that it has not gone away, that Members are still pursuing it with great vigour, as we have seen today, and that there is a great appetite for it outside the House.

I have great admiration for supermarkets, which have been the star performers of the retail sector over many years. They have done a lot to ensure that there is a sense of quality about their products, although some people would argue that we could do with more traditional products. None the less, supermarkets set a standard on quality, and they have increased the variety of foodstuffs available to the consumer.

Over the past 10 or 15 years, food price inflation has been very low and often negative, which has made a contribution at times when we have had low inflation figures. This country's food producers have contributed to low inflation figures, which has been to the consumer's benefit.

Of course, we are talking about not just producers, but retailers. The argument that we are having today is that the producer rather than the retailer has borne the burden of keeping prices—until quite recently—low. My limited knowledge of economics tells me that in a

perfect market, there are many sellers and buyers and everyone in the market has a real understanding of the quantity and quality of the commodity being traded.

As far as food production and retailing are concerned, the perfect market does not exist. There are a small number of very large buyers in the market and a large number of small producers. Although the large buyers probably have a good idea of the state of the market, the small producers do not and are therefore unable to take advantage when a possible advantage occurs. We are talking about anti-competitive practices and we have plenty of competition law that should support us in this matter.

I am a generous man and have often said that the supermarkets are so large that they sometimes do not even realise that they are acting anti-competitively. Every move they make and every step they take affects the market. I sometimes compare them to a large person in a narrow corridor. However well behaved that large person is, they are bound to affect the people coming and going. They could act not so politely and have a terrible effect on the passage of people, but even when they are acting politely, they can have an effect, and supermarkets can have an effect. That is why we need somebody external—an objective force—to look at the supply chains and ensure that they are not being abused.

I would like to give a little economics lecture on the profitability of supermarkets, although I am sure that the hon. Member for Shipley (Philip Davies) understands it a lot better than I do. The profitability of supermarkets is determined by two things: one is the margin of the product and the other is the turnover. If they are multiplied, we get the gross profit of the supermarket. Out of that, it has to fund its overheads, labour and financial costs and all the other costs attributed to businesses.

The margin times turnover is key; one could argue that it does not matter at what price a supermarket buys its product, as long as it can get the margin. However, its turnover depends on how competitive it is with other supermarkets. That is when price pressure comes in. People tell me that quality is required and must be delivered, so often the only competitive advantage that people can have is on price. The sheer size of some of the organisations—the 32% share that we heard about—affects the marketplace. They can go in and abuse their dominant position in the marketplace.

I would like to put on the record my appreciation of the wonderful work that many hon. Members, including the hon. Member for Ynys Môn (Albert Owen) and my hon. Friend the Member for St Ives (Andrew George), have done on this subject. Some of us have followed in their wake—and we are still here, still pressing the Minister to take some action, because in the long run that will be to the advantage not only of the producer but of the consumer as well.

We want to ensure that the quality product that the consumer wants is available in the supermarket. We are very worried at the moment that constant cost pressure, particularly on milk and milk products, is driving quality out of the supermarkets. When customers go in them, they will not be able to buy the British product that they so want.

3.24 pm

Philip Davies (Shipley) (Con): I will speak as briefly as possible, because I know that the hon. Member for St Ives (Andrew George), who has done a lot of work in this area, wants to speak as well. Not for the first time, and no doubt not for the last time, I appear to be in a minority of one in a debate, but speaking up for unpopular causes is something that I enjoy doing, so I will make the most of it.

It is always chastening to see my hon. Friends leaping up to advocate an extra quango, and an expensive one at that. My hon. Friend the Member for Tiverton and Honiton (Neil Parish) seems to think that it would have a minimal cost, and I admire his enthusiasm and, perhaps, naivety. I have never known any of these quangos to have a minor cost. He seems to think that the ombudsman would not have anything to do and that the fact that they are there will be enough to pull everybody into line. I may make an early bid for the job. No doubt, a well-paid position with no work to do sounds like the ideal kind of job for most people.

I have no interest to declare, but, hopefully, I have some experience, both as someone who worked for a supermarket chain for the best part of 13 years and as someone whose stepfather was a dairy farmer who went out of business because it was no longer viable. I like to think that I have seen the problems on both sides. Rather than being anti-competitive, the supermarket industry must be the most competitive industry in this country. It is not only competitive, but one of our most successful industries. I never know why politicians always see a successful industry and feel that the best way to treat it is to clobber it over the head as much as possible and to try to take as much money out of it as possible. We should celebrate our successful industries, not try to clobber them all the time.

Supermarkets have been successful for one reason and one reason alone, which is that they deliver what their customers want at a price at which they want it. All successful businesses have two things in common: they look after their customers and they look after their staff. All failed businesses in the world have two things in common: they do not look after their customers and they do not look after their staff. Supermarkets are successful, because they look after their staff and customers, and we should celebrate that.

Gavin Williamson: As always, my hon. Friend speaks incredibly eloquently. Yes, a successful business is absolutely about looking after staff and, most importantly, customers, but it is also about developing the supply chain. Every one of the major retailers will talk about the importance of their supply chain all the way through. This is about getting that supply chain right and ensuring that there is fairness all the way through.

Philip Davies: My hon. Friend is right. I was going to come on to that point later, but I will mention it now since he has raised it. A supermarket's success cannot work on the basis of the supermarket versus the supplier. For a supermarket to be successful, it needs products on the shelves just as much as the supplier needs the supermarket to sell its products. A supermarket without Heinz baked beans and Kellogg's cornflakes would not be much of a supermarket. The idea that the whip hand is always the supermarket's is not one that I recognise.

Some suppliers are so powerful that they have the whip hand over the supermarkets, because it is so important that their products are on the shelves.

Neil Parish: My hon. Friend has referred to household names, which, of course, have a great deal of marketing power when dealing with supermarkets. However, a lot of the smaller producers, especially of goods such as vegetables, which are seasonal and have to be sold at a certain time, do not have the same power to trade with a supermarket and the supermarket can then push down the prices.

Philip Davies: The ombudsman, as envisaged, would apply to all suppliers, so even those that are more powerful than the supermarkets would benefit. It would be a boon to big multinational businesses at the expense of the consumer and the supermarkets. In reality, it would do very little to help small suppliers.

I come back to the point that this is a solution looking for a problem. We already have a supermarket code of practice that prohibits any retrospective changes to agreements, which is one of the big beefs that people had. It imposes a prohibition on charging suppliers for shrinkage, which is another cost that supermarkets have to factor into their prices. It has an overarching fair-dealing provision, which the Competition Commission believes balances the need to curtail unreasonable behaviour and to allow some commercial flexibility. I must stress that the code already makes it clear that a retailer may only delist a supplier for genuine commercial reasons, and expressly not for exercising its rights under the code. If any supplier at the moment wants to make a complaint to the OFT, which oversees the supermarket code of practice, it can do so without any penalty. It does not need to have anonymity, and I object to the principle of anonymity.

If somebody were accused of an offence in court, but they had no idea who was accusing them or what they were being accused of, it would be completely unfair.

Gavin Williamson: Will my hon. Friend give way?

Philip Davies: I must press on because the hon. Member for St Ives also wishes to speak. The point is that we already have an existing code. Why we need an ombudsman on top of that when such matters can already be enforced is beyond me.

What does the Minister envisage the cost would be of establishing a grocery ombudsman, and who would pay for it? I think it would be expensive, and that will lead only to higher prices. If we pass on higher returns to the supplier, the only possible consequence in a market that is already incredibly popular—margins for supermarkets are already low—will be an effect on the consumer. In an industry worth £130 billion a year, 1% of that is £1.3 billion, 2% is £2.6 billion and so on. I have no idea how much extra people expect suppliers to get, but even if it is only in that region, it is a massive cost to pass on to consumers at a time when people cannot afford to pay their bills. Constituents who are struggling will not thank hon. Members when they find out that huge increases in cost have been passed on.

Simon Hart: Will my hon. Friend give way?

Philip Davies: I cannot give way, because we have not got time. The idea that everyone agrees on this matter is not correct. The economist, Professor Lyons, who is one of the two Competition Commission panel members working on supplier issues, concluded that the ombudsman would be counter-productive and opposed its being set up. The commission's report stated that he

"believed that the Ombudsman would be counterproductive...He was concerned that the Ombudsman may find a role 'proactively' representing the interests of suppliers, including global manufacturers and large intermediaries, which he considered would reduce the benefits of competition."

There are a large number of myths about the relationship between supermarkets and suppliers. The idea that all buy one, get one free promotions are insisted on by supermarkets and paid for by suppliers is completely wrong. When I was at Asda, we tried to stop suppliers from offering such deals and have an everyday lower price. Buy one, get one free deals are promoted to supermarkets by suppliers, many of which have huge marketing budgets. They use such deals as a way to market their products and get people to buy them in the future. Most of the big supermarket suppliers, such as Mars and Procter and Gamble, have marketing budgets that supermarkets could only dream about. That is the reality of the situation. The ombudsman will do nothing to help the consumer or the small supplier. If anything, it will benefit only the bureaucracy that is set up, which will be self-serving, and big, multinational corporations, which can fend for themselves.

I believe in the free market. For me, the free market means allowing people to make deals themselves. There may be bad deals, but I hope the Government will not interfere in every commercial discussion between two companies and try to fathom out who has got the best arrangement. That should be left for the free market to decide, because the people who benefit most from supermarkets are those who work in them and the consumers.

Mr Roger Gale (in the Chair): Order. I would like to call the Front-Bench speakers at 3.40 pm.

3.33 pm

Andrew George (St Ives) (LD): I will be brief, Mr Gale. It is a pleasure to follow the hon. Member for Shipley (Philip Davies). We disagree, but not in every respect, and I passionately agree with his concluding remarks about the operation of the free market.

The issue is about what happens when the market fails. We have always had the Monopolies and Mergers Commission—now the Competition Commission—and other regulatory bodies to ensure fair dealing, and that is fundamentally what the debate is about. It is not about price setting or protecting large and powerful supermarket suppliers such as Kellogg's and the producers of baked beans and other similar brands. In 2008, the Competition Commission raised a concern about the transfer of

"excessive risk and unexpected cost."

The hon. Member for South Staffordshire (Gavin Williamson) should be congratulated warmly on securing this important and timely debate as we look forward to the publication of the Government's draft Bill. He should also be congratulated on the balanced and considered manner in which he introduced the subject.

The report from 2008—three years ago—came after years of inquiries by the Competition Commission and the Office of Fair Trading going back to 2000, after which the first voluntary code was established. I will not go into the history of it all.

I will quote from that report, because it fundamentally explains why we are in our position today, and there is great disappointment that we are not further forward. The report concludes:

"We found that all large grocery retailers, wholesalers and buying groups have buyer power in relation to at least some of their suppliers. This buyer power is of benefit to consumers since part of the lower supplier prices arising from this buyer power will be passed on to consumers in the form of lower retail prices."

That agrees entirely with the hon. Member for Shipley.

"However we found that when, in the hope of gaining competitive advantage, grocery retailers transfer excessive risks or unexpected costs to their suppliers, this is likely to lessen suppliers' incentives to invest in new capacity, products and production processes. If unchecked, we conclude that this will ultimately have a detrimental effect on consumers, by leading to lower-quality goods, less choice of goods and product innovation."

I am grateful to the hon. Member for Ynys Môn (Albert Owen) for his major contribution to this debate both today and over the years. His private Member's Bill helped to stimulate and provoke more rapid progress, although not rapid enough. From his party I also remember the former Member of Parliament for Stroud, David Drew, who was a great champion for this issue.

In the remaining minutes, I would like to emphasise that I entirely sympathise with the hon. Member for South Staffordshire on the issue of the name; given the circumstances, the name is a bit like something put together by Frankenstein. I did not like the word "ombudsman", because that implies something reactive and we want something that will proactively keep an overview on what is going on throughout the supply chain.

As I said, this issue is about fair dealing. If the adjudicator were called the "supermarkets ombudsman", the assumption would be that all wrongdoing was on the part of supermarkets. If it were called a "grocery supply adjudicator", that would recognise that fair—or unfair—dealing might work both ways. In future years, we must keep an open mind as to how that power relationship might play out.

Previous reports have found that supermarkets are so powerful that they can dictate market conditions. They also identified that when suppliers were depended on to complain in order to stimulate an investigation into the breaking of the code, there was a climate of fear among them because of possible retaliatory action.

I do not know the precise answer to the question from the hon. Member for Shipley about how much the adjudicator will cost to set up, but it will be small numbers of millions of pounds, and the cost to the taxpayer should be nil; it will be done through an industry levy, as I hope the Minister will confirm. Ultimately, I hope that the adjudicator will be used as a badge of pride for supermarkets if they get a clean bill of health on an annual basis. I hope it will provide a service to the retail trade in awarding a badge, a tick, to a supermarket because it was found to have done nothing wrong during the year.

As the Minister is aware, I have raised a number of issues with him about the industry levy, which should be based on a formula to reflect the size and turnover of

[Andrew George]

the supermarkets that are regulated, as well as the extent to which they are found to comply—or not comply—with the code. The capacity of the adjudicator should be sufficient for it to be capable of undertaking its own independent, proactive investigations. The powers of the adjudicator to undertake enquiries should be sufficient to nullify the risk of retaliatory action being taken against the supplier in a range of circumstances.

It is vital that we move with maximum speed towards a conclusion on this matter. It has all-party support, and I wish the Minister well. I know that with one or two exceptions, he has full backing across the Chamber to move the legislation forward.

3.39 pm

Nia Griffith (Llanelli) (Lab): I congratulate the hon. Member for South Staffordshire (Gavin Williamson) on securing the debate and reminding us of this very important issue. It is now more than a year since my hon. Friend the Member for Ynys Môn (Albert Owen) led the Second Reading debate for his private Member's Bill—the Grocery Market Ombudsman Bill. In that debate, he made it clear that the concept of a grocery ombudsman or adjudicator is not about being pro or anti any particular interest group. It is about fairness to all those involved, whether they be farmers, small producers, local suppliers, suppliers from developing countries, small shops, convenience stores, supermarkets or, most importantly, consumers.

I pay tribute to the work that my hon. Friend and the hon. Member for St Ives (Andrew George), who chaired the grocery market action group, did in harnessing the support of organisations such as the Rural Shops Alliance, the Association of Convenience Stores, the National Farmers Union, the Farmers Union of Wales, the British Independent Fruit Growers Association, the British Brands Group, Traidcraft, ActionAid UK and Banana Link and in pushing the agenda forward from the early days of the Competition Commission inquiry in 2006 through to the establishment of the new groceries supply code of practice, which came into force on 4 February 2010. They gathered cross-party support, which led to the inclusion of the concept of an adjudicator in each of the three big parties' 2010 general election manifestos.

In the Labour party manifesto, we said that we would ensure

"fairness for food producers through EU reform and a Supermarkets Ombudsman"

and that

"to protect farmers and food suppliers from unfair and uncompetitive practices by major retailers",

we would

"create a Supermarket Ombudsman."

The Conservative party said in its manifesto:

"To ensure the grocery supply code of practice is applied fairly, we will introduce an independent supermarket ombudsman."

The Liberal Democrats promised in their manifesto to create

"a legal Supermarket Code and a powerful independent regulator of Britain's food market."

It is remarkable that three parties should have had such similar wording on a topic.

Then the coalition was formed and the coalition agreement committed it to introducing,

"as a first step, an Ombudsman in the Office of Fair Trading who can proactively enforce the Grocery Supply Code of Practice and curb abuses of power, which undermine our farmers and act against the long-term interest of consumers"—

strong words indeed. The reason why hon. Members are here today and why the Minister was asked a question on this topic just last Thursday is that hon. Members are wondering what has happened to that commitment. They are wondering whether the commitment in the coalition agreement to introduce an ombudsman has gone the same way as the commitment to create a post bank and whether it could become yet another broken promise.

It was encouraging, therefore, to hear the Minister confirm on Thursday that he expects to publish a groceries code adjudicator Bill "soon after Easter". We look forward to that. Perhaps the Minister will today give us a more precise indication of what exactly "soon" means and what is likely to be in the Bill. Will he give us more detail of exactly how he envisages the role and work of the groceries code adjudicator and how proactive the adjudicator will be in enforcing the code? As hon. Members will know, the new groceries supply code, which came into force on 4 February 2010, applies to all companies that are active in the sector and have an annual retail groceries turnover of £1 billion or more.

As a number of hon. Members have reminded us, suppliers are reluctant to make complaints for fear that they will be identified and that retailers will subsequently stop trading with them. So the new groceries code introduced independent binding arbitration and made it clear that retailers could stop trading with suppliers only for genuine commercial reasons, not because the supplier had complained that the retailer had not respected the conditions of the original trade deal. Can the Minister confirm that, in keeping with the Government response to the 2010 consultation, the proposed Bill will give the groceries code adjudicator the power to receive anonymous complaints?

The new code also placed the burden of proof on the retailer to demonstrate that the supplier had voluntarily complied with the requests made. It introduced a fair-dealing provision, requiring retailers to act in good faith in both formal and informal agreements. However, proper enforcement of the code is essential in ensuring its effectiveness, which is why an adjudicator is so important.

Will the Minister tell us how his Bill compares with the private Member's Bill promoted by my hon. Friend the Member for Ynys Môn, in which he mentioned investigating and adjudicating on alleged breaches of the code, and powers to gather information, enforce penalties and award costs? Will the Minister confirm that, as expressed in the Government response to the 2010 consultation, the Government do intend to provide in primary legislation the powers to introduce financial penalties?

I welcome the wording of the coalition agreement, which speaks of an ombudsman who can "proactively enforce" the code. Can the Minister confirm the proactive nature of the adjudicator's role as he envisages it? Does he envisage the adjudicator's having the necessary powers and resources to instigate proactive investigations when he feels that those are likely to be justified? What sort of investigative powers will the adjudicator have? Will the

adjudicator's powers to request information be backed up by a power to create offences for failure to comply with requests for information?

We have the new groceries supply code of practice, a commitment from hon. Members on both sides of the House and plenty of material on which to build—the Competition Commission evidence, my hon. Friend's private Member's Bill and the 2010 consultation. There is general support among the public. The role of the adjudicator is to ensure fairness. That is to the benefit of all.

The very existence of an adjudicator with real powers will be an incentive to good practice and fairness and will focus minds on the groceries supply code. It is important to have powers that can be used, although it is often more desirable to sort out difficulties without having to resort to the full force of those powers. Whatever we call the office—a supermarket ombudsman, as some would say, or a groceries code adjudicator, as the Government now prefer to say—its existence will be good for the consumer and good for all those players in the sector, be they supermarkets, small retailers or suppliers, who want to play by the rules.

We look forward to hearing from the Minister about the progress that he has made to date on the proposed groceries code adjudicator Bill and, in particular, what the time scale is for introducing it. Without further ado, I thank all hon. Members who have brought this very important topic to the Minister's attention and I ask him to deal with the issues that we are interested in hearing about.

3.47 pm

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): It is great to speak under your chairmanship, Mr Gale. I congratulate my hon. Friend the Member for South Staffordshire (Gavin Williamson) on securing a debate on this very important subject. It gives me a chance both to answer hon. Members' questions and to back up what we have already said about it.

Let me come immediately to the timing of the groceries code adjudicator Bill, as almost every hon. Member who spoke is keen to hear about that. I am not quite sure about my hon. Friend the Member for Shipley (Philip Davies), but nevertheless I shall deal with it. I can assure hon. Members that we are not taking a long-grass approach. We said in the Queen's Speech for the first Session that we would introduce a draft Bill in this Session, and that is what we will do. I confirmed in questions last week that we were not able to publish the draft Bill before Easter, as I had originally hoped, but that we would publish the draft Bill soon after Easter to allow time for pre-legislative scrutiny in the current Session.

Roger Williams: I hope that the Minister realises that Easter is very late this year.

Mr Davey: My hon. Friend is very impatient for the adjudicator. He has campaigned with many others for it. I can assure him that we hope to be able to publish the draft Bill soon after Easter. Our objective is to introduce a final Bill in the Second Session, although we will look at the opportunity for introducing the Bill

earlier if parliamentary time allows. One reason for publishing the draft Bill as soon as possible is that if parliamentary time allows, we may be able to make it a first-Session Bill, but that is not within my control. I should also make it clear that the timetable even for publishing the Bill is subject to the necessary Cabinet clearances and the outcome of pre-legislative scrutiny. I hope that hon. Members will understand that, but I can assure them that we are working hard to get the draft Bill published.

It is worth putting our debate into context. A persuasive case for an adjudicator has been made by all parties. As others have done, I remind the House of its genesis. The groceries supply code of practice was recommended by the Competition Commission following its market inquiry into the supply of groceries. Its final report was delivered in April 2008. The commission concluded that, although the exercise of buying power by grocery retailers was in general a good thing for consumers, it could raise concerns in certain limited circumstances. For instance, if retailers transfer excessive risks or unexpected costs to their suppliers in the hope of gaining competitive advantage, it is likely to blunt suppliers' incentives to invest in new capacity, products and production processes. That is bad for consumers, and the code of practice is intended to remedy the problem.

Like my hon. Friend the Member for Shipley, I believe in the free market and in competition; and like him and others, I believe that our supermarkets do a fantastic job. The Competition Commission has inquired into the matter and made its recommendations, and we are not going outside those in establishing a groceries code adjudicator. Bearing that in mind, it is clear that it is not some sort of dramatic interventionist policy; I believe that it goes with the flow of ensuring fair dealings in that market.

The groceries supply code will apply to all companies active in the sector with an annual retail groceries turnover of £1 billion or more. Its provisions are now included in all retailers' contracts with their grocery suppliers. It gives suppliers greater security, which should encourage them to invest in their operations. The code sets out a clear and overarching requirement for fair dealing, and bans retailers from imposing retrospective changes to terms and conditions agreed with suppliers. It also limits the extent to which suppliers are required to foot the bill for listings, promotions, inaccurate forecasts by retailers, or customer complaints. In short, the code is about introducing clear standards and greater certainty. As a result, those parts of supply agreements that may subsequently change are discussed up front, and both parties are agreed on how costs and payments will be allocated in such situations.

The Competition Commission concluded that the code would be far more effective if it was enforced by an adjudicator. That should dispel the climate of fear among suppliers, who felt that they risked being de-listed by their buyers if they invoked the previous code of practice. The commission does not have the power to establish new bodies. After failing to win universal agreement from retailers to establish such a body on a voluntary basis, it asked the then Government to act. The present Government agree that the code of practice needs to be independently monitored and enforced if it is to succeed.

[Mr Davey]

The groceries code adjudicator will act as arbitrator in disputes arising under the code. He will receive complaints about potential breaches and, when appropriate, conduct investigations. The adjudicator will have the power to accept complaints about retailers' treatment of primary suppliers from anyone in the supply chain, at home or overseas. That will include indirect suppliers who, like many farmers, may not supply the large supermarkets directly. The adjudicator will have the power to require information from retailers in the course of an investigation so that conclusions are based on reliable evidence. He will also take account of other evidence in the public domain, but will not be obliged to investigate every complaint.

I emphasise that last point, because it deals with questions about how the adjudicator will act. The adjudicator can take complaints from suppliers directly, as I said, but it can also take account of other evidence that has been published. That is important; in my judgment, it strikes the right balance between preventing the adjudicator going on fishing trips and enabling him to consider information that is available to others.

Gavin Williamson: If a trade organisation or association has made a study of a certain part of the market, would that information be admissible as the Minister states?

Mr Davey: That is exactly the sort of information that I would expect the adjudicator to consider. If such a report or study gave the adjudicator cause for concern, it would be a reason for it to investigate.

The adjudicator will publish guidance on the code and make recommendations to retailers on improving adherence to it. It will also have to publish an annual report summarising its activities; that will include monitoring and commenting on compliance with the code.

My hon. Friend the Member for South Staffordshire raised the question of anonymity for complainants, as did others. I make it absolutely clear that the adjudicator will be able to deal with complaints confidentially. That is an important provision; suppliers can be confident that retailers will not be able to retaliate by discriminating against them, as their identities will be protected. The adjudicator will have a duty to protect suppliers' identities, and will need to consider whether any of its actions could jeopardise matters before proceeding.

Another issue raised during the debate was whether the groceries code adjudicator would have teeth. I believe that the code will help the adjudicator to impose the necessary sanctions on retailers guilty of breaching it.

The initial sanctions include the naming and shaming of individual retailers, and I believe that the ensuing negative publicity will be an effective deterrent. In a highly competitive market, retailers will not want to risk customers going elsewhere in protest at their shoddy behaviour towards suppliers. However, I make it clear that the draft Bill will include a reserve power for the Government to introduce financial penalties if experience shows that recommendations and negative publicity do not work.

Andrew George: What my hon. Friend says is extremely helpful. As for naming and shaming or the application of financial penalties, it is important that we do not have to come back to the House again, and I hope that there will be sufficient flexibility in the legislation. Further, I hope that the industry levy takes account not only of compliance with the code but of the size and turnover of the supermarkets caught within its ambit.

Mr Davey: On my hon. Friend's last point, about the funding of the groceries code adjudicator, there are a number of options and he mentioned one. However, he is right to say that the taxpayer will not be funding it; it will be the industry. My hon. Friend the Member for Shipley asked about the cost. We estimate that the total cost will be about £1 million a year, which will come from the industry. Once the Bill is published, he will see that it will not be a quango. I know that he is interested in working for it, but given his commitment to the free market I suggest that he applies to the Competition Commission or a similar body.

Albert Owen: May I return to the timetable? Will the Minister explain why we needed a draft Bill if we are not going beyond the premises of the Competition Commission report of 2008? What is the blockage? I understand about Cabinet clearance, but surely his Department has all the evidence to introduce a draft Bill now?

Mr Davey: As I said, we are close to publishing a draft Bill. The hon. Gentleman asks whether it was necessary to publish it in draft form. In the battle for legislative space it was a good tactic to produce a draft Bill, because that ensured that it was in the Queen's Speech. We are ready if a slot appears; if parliamentary time opens up towards the end of the Session, we have a Bill ready to go. Rather than dragging our feet, I hope that the Department and I have been boxing rather intelligently, thus putting ourselves in a position to do what Members wish. I hope that the House is reassured that I and the Department wish to take this important matter forward.

Net Neutrality

4 pm

Mr Dominic Raab (Esher and Walton) (Con): It is a privilege to secure my first Adjournment debate and to hold it under your chairmanship, Mr Gale. I wish to raise the increasingly important topic of protection of competition in the online marketplace and the neutrality of search engines. Free markets require the rule of law and space for robust competition, but they offer no place for monopolistic or cartel abuse, which is as true for the online market as it is for any other. The EU Competition Commissioner, Joaquín Almunia, has stated:

"I believe that the principles of competition must be maintained in the digital economy with the same intensity that they are imposed in the brick and mortar world."

At both national and European levels, rules exist to prevent dominant undertakings resorting to anti-competitive practices to reinforce their position. Those rules do not prohibit or deter success in the global online marketplace. Businesses can hold, secure or maintain a dominant position, but not abuse it, and there is growing evidence that that is exactly what Google is doing.

Search engines are the gateways to the internet. With a 95% share of the search market in Europe, Google is in a uniquely powerful position. It is the most visited website in 25 of the 27 EU member states.

Foundem, a UK-based price comparison website, has complained to the European Commission that it, among others, has fallen foul of anti-competitive abuses by Google. The complaint is threefold. First, it was unfairly penalised by the mechanism Google uses to rank search results, especially the exclusionary automated penalty that has been applied to it and other competitors. The effect was to suppress Foundem on Google's search results. Until December 2009, when it was corrected, Foundem's rankings on a typical product such as a motor bike helmet were: first by Yahoo, seventh by Bing and 144th by Google. As the top five recommendations on the first page of results account for 88% of hits, Foundem effectively disappeared from the Google landscape. The day after the penalty was lifted, Foundem immediately rose to sixth place on Google's rankings, so the impact is clear.

Secondly, Foundem's complaints concern the review procedure at Google. It took Foundem more than three years to secure the lifting of the arbitrary penalty against it. For a small business in a fast-moving environment and marketplace, that could prove fatal. It did not in this case, but it certainly could for other small and medium-sized enterprises.

Thirdly, Foundem says Google distorts search results by imposing its own services in prominent positions. In the two years after Google started promoting its own price comparison website, Google Product Search, UK visitors to that site increased by 125%. Over the same period, visitors to the UK's leading price-comparison websites fell by an average of 41%, so the discrepancy is stark. The fact that the European Commission has decided formally to investigate Google shows that these complaints are serious and that they require an answer.

Let us be clear about an important distinction that underpins competition law. It is one thing to sell space, ranking or priority online, but it is another thing altogether deliberately to stack the deck against potential rivals

while at the same time pretending to be operating and offering a neutral service. Google is trying to bury the competition.

I understand that the Minister may feel tempted to defer to the European Commission inquiry, but Britain must also ask whether enough is being done to prevent such abuse and why we have to wait for the cumbersome, clumping, clumsy conclusions of the European Commission to preserve our own free market at home. I would welcome the Minister's views on this vital area of policy.

As a matter of domestic policy, there might be a prescriptive solution. I am not one to call for extra regulation or legislation, but one of the points that Foundem makes is that it champions the principle of search neutrality. That states that search engines should be transparent about the rationale and mechanism behind their online results rankings and that affected sites should have access to a timely appeals process.

The second principle advanced by Foundem is that search engines should not be allowed to discriminate in favour of their own services while maintaining the guise of neutrality. If their own products are inserted into search results, they could be identified in the same way as sponsored links. There is no reason for Google not to advertise its own wares, but it is something of a fraud to dress it up for the consumer under the ostensible impartiality of ordinary search engine results.

The proposals could be considered on a voluntary or industry-wide code basis or under legislation. I am fairly open-minded about that. An alternative solution is to focus on the more rigorous enforcement of the existing powers that domestic authorities have to preserve competition. After all, the Office of Fair Trading and Ofcom have the necessary authority under the Competition Act 1998 and EU law to issue directions and hand out fines.

I recognise that purists will say that we should resist any intervention in the online search market. Some will argue that the internet is a fast-moving and changing world and that we must be wary of trying to prejudge or predetermine its future development. Unless competition is safeguarded, a flourishing river of competition could become a stagnant pond. Does the Minister agree that far from being incompatible with a robust and rambunctious marketplace, this principle of search neutrality could bolster competition and consumer choice?

Our regulators can already take action, but they have so far proved unwilling to take a proper look at Google. The chief executive of Ofcom talks about the need to avoid suppressing reward for innovation and risk—we can all agree on that along with motherhood and apple pie. With more than a hint of complacency, the chief executive of the OFT has said that most complaints come from

"competitors who are not best pleased that Google makes a better offering to their customers."

Mr Fingleton says that the OFT would like to see complaints coming from customers themselves. That is all very well, but customers may be oblivious to what Google is surreptitiously doing.

Another argument that Google advances against intervention is that competition is just a click away. In other words, an open internet allows consumers to use any search engine they want. This theoretical defence misses the practical point. It is precisely the scope for

[Mr Dominic Raab]

competition that Google is killing off. If Google's policy means that businesses cannot access potential consumers, they will be choked out of the marketplace.

In his Budget statement, the Chancellor highlighted the importance of promoting high-technology growth in small businesses. He called for Britain to become a "home of innovation". He is absolutely right. I hope that the Minister will recognise that there is a risk of that vision being jeopardised by anti-competitive abuse online and that the market must remain an enabling environment for businesses of all kinds, small and large, and not one that is condensed and conditioned to preserve the status quo.

Google is one of a handful of companies that has transformed our understanding of the internet's potential. I have no doubt that it will continue to do so in the future, but it must not be allowed to pull up the ladder. We must preserve the space and scope for innovators and entrepreneurs to mirror, and even surpass, Google's astonishing and outstanding success.

4.9 pm

Dr Phillip Lee (Bracknell) (Con): Thank you, Mr Gale, for chairing this debate and thanks to the Minister for allowing me to make a short contribution.

I begin by congratulating my hon. Friend the Member for Esher and Walton (Mr Raab) on securing this timely debate. The primary reason why I am speaking in it is that Foundem is based in my constituency of Bracknell. I am very proud of this highly innovative UK technology business, and I am also proud that it is at the forefront of challenging Google in this way. By doing so, it is going into bat for future UK start-ups, particularly in the IT sector.

I noted that the Government's new "Start-up Britain" website actually has Google on it, giving away AdWords. I must say that my eyebrows were raised by that and I suspect that, when that website was launched, those of Foundem's owners were raised too, because when Foundem was launched in 2006 Google's AdWords were 5p a hit. Overnight, that went to £5 a hit and, as my hon. Friend the Member for Esher and Walton has pointed out, Foundem slipped down the Google search rankings from fourth to 120th. Foundem was never given a reason for that, and it took the company more than three years to have that situation turned around. In that period, Google Product Search went up dramatically, a dramatic amount of money was made and a significant part of the search business was taken by Google.

It is time that we all got real about this. Ofcom and the Office of Fair Trading have the necessary legislation—the Competition Act 1998—and EU law to support them. They need to get on with protecting British start-ups, so that those businesses can thrive and there is a fair environment in which they can exist.

I note that in 2009 the chief executive officer of the OFT was quoted as saying that there was no case for the regulator to challenge Google's dominance. In the same year, there was an op-ed piece in *The New York Times* by one of the founders of Foundem, which basically outlined what had happened to the company in the preceding three years. Anybody who has heard Foundem's case and seen its PowerPoint presentation would feel

the same way. I encourage the Minister to meet with Foundem's representatives. I know that they have already requested a meeting with the Minister and I encourage him to see Foundem's presentation, because it is quite compelling and totally contradicts the view of the OFT's CEO in 2009.

Finally, I want to open this debate up by saying that it is not only about commerce. Commerce is obviously very important, and Foundem's case is based on commerce, but the principle here is about where we access services, knowledge and information. Google provides 95% of searches in Europe. If someone goes to Google to search for a dishwasher or a new television, they also go there to search for news and knowledge. We now have Google providing search products, Google News, Google Health and a Google bank. Next we might have a Google dictionary and later on a Google religion. I may be overplaying things, but the reality is that this company has suppressed the growth of a business in my constituency—that is the reality. I do not think that that is in the best interests of this country, and I do not think that one company having that amount of power is in the best interests of this country, either.

Google is part of the infrastructure of the internet. That is the reality. If we stopped people on the street and asked them, "What is the internet?", most of them would view it as starting with a search engine. And for search engines, 90% of Britons use Google. Google is to be congratulated on achieving such a powerful position in the world economy, but because it has that position, it needs to be subject to regulation so that companies such as Foundem and many others in the future can get a fair hearing in the world economy.

4.13 pm

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): It is a delight to serve under your chairmanship this afternoon, Mr Gale. I participated in a Westminster Hall debate with you only this morning and I think that this is the second of three debates that I will be responding to in Westminster Hall today. I gather that my colleague the Under-Secretary of State for Business, Innovation and Skills, my hon. Friend the Member for Kingston and Surbiton (Mr Davey), has responded to the other two debates in Westminster Hall today, so we are slightly monopolising the time here.

I congratulate my hon. Friend the Member for Esher and Walton (Mr Raab) on securing this debate. He said that it was his first Adjournment debate and that he was sitting on the "wrong" side of Westminster Hall; although he is sitting opposite me, we are in effect on the same side.

I also welcome the contribution of my hon. Friend the Member for Bracknell (Dr Lee) in standing up for his constituents who established Foundem. In what is an extraordinary "David and Goliath" story, those constituents have managed to get the European Commission to investigate allegations of anti-competitive behaviour by Google.

I should say at the start that I am extremely sympathetic to what my hon. Friends have set out in terms of their principles. If I can take, as it were, a philosophical approach—although it might be unhelpful for a Minister to take such an approach—there is no reason why any

organisation should be exempt from the competition rules simply because it exists on the internet.

We could all reel off a list of companies that are, in effect, the dominant providers on the internet and from which we purchase our books, our groceries or our consumer goods, or from which we access search facilities or other applications, because they have first-mover advantage. However, they certainly seem to have held on to that advantage for a significant amount of time. It is perfectly appropriate for the competition authorities, when appropriate and when a matter is referred to them, to look into those organisations.

However, one of the reasons why people feel that the internet is perhaps more competitive than the high street is that the barriers to entry are lower on the internet. If someone wants to set up a retailer providing a service, they do not have to go and buy land or rent property—or take on, say, the established supermarkets in trying to provide better products. The regulations are much lower for the internet and people can set up a website at very low cost.

Dr Lee: I just want to expand on my hon. Friend the Minister's analogy of the internet being like going to the shops. There is a sense with Google that there is one big motorway that we all travel along to go to a set of shops, some of which Google itself owns. The problem is that there are not enough roads to lots of different shops, because there is a perception that people go to Google to go shopping.

Mr Vaizey: Absolutely. In effect, I was going to agree with my hon. Friend's point before he made it, in the sense that the internet is seen as being different because it is possible to set up a new company and to compete relatively cost-effectively on it. One only has to look at, for example, the rise of Groupon, which is another one of these phenomenal companies. It effectively started from zero and now, within about 18 months, it is worth an estimated \$20 billion. One also sees it in the market of political journalism, which I could say is a market close to our hearts. Nevertheless, there should be concerns when there appear to be dominant providers on the internet.

As my hon. Friend the Member for Esher and Walton is aware, there is an EU anti-trust probe into alleged abuses by Google, concerning allegations about the manipulation of its search results, the consequent unfavourable treatment of its unpaid and sponsored results and the preferential placement of Google's own services. Although my hon. Friend said that the process of the EU's anti-trust probe was going to be clunky and time-consuming, I remind him that the EU challenged Microsoft a few years ago and fined it substantially. This process regarding Google will be effective, as it continues, in establishing whether any of the allegations that have been made against it are true and need to be remedied.

It is perhaps ironic, given that Microsoft was in a dominant position a few years ago, that it is now Microsoft asking the European Commission to investigate the dominant position of Google. To a certain extent, that reinforces the point that although there may be so-called "dominant providers" on the internet, the

balance of power can shift extraordinarily quickly, particularly if one does not anticipate, as it were, "the new new thing".

For example, if I was a spokesman for Google, I might say that Google's next threat was not necessarily from the European Commission, but from Facebook, which is now the dominant provider in social media services. It might well be that we have not anticipated Facebook's next threat, but that it will manifest itself in two or three years' time. Nevertheless, it is interesting to note that Microsoft has asked to be joined in this action against Google and Microsoft makes some interesting points. The position that Google would take—perfectly justifiably—is that alternative search methods are just "one click away". Indeed, I understand that we have something like 177 UK search engines serving the UK market at the moment.

I have already agreed to see one of those companies, Reach Global, when I am next in Manchester, at the invitation of the hon. Member for Hyndburn (Graham Jones) in whose constituency it is based. I would be absolutely delighted to take up the offer made by my hon. Friend the Member for Bracknell to meet the founders of Foundem. Microsoft's point is its allegation that Google restricts access to certain content, particularly to YouTube content on phones that run Windows, and it has set out its concerns extensively.

Google also comes in for criticism from rights holders, who say that the search engine helps to promote piracy, and Google is taking steps to address those concerns. For example, its introduction of predictive text when searching for a piece of music in effect meant that the phrase was filled in with BitTorrent, almost directing someone to pirate sites to download music. That has now been remedied by Google, and it is now also very good at addressing concerns about its AdSense product. That product allows adverts to appear on appropriate sites with appropriate content, but they were often appearing on sites that promoted pirated music. Google is now happy to remove those ads, if notified by the rights holders. I also know that the company is keen to work with rights holders on notice and take-down issues, and will take down search results that direct users to private sites, provided that it is notified and given adequate evidence.

Google's unique selling point, and the area in which it finds it much more difficult to accommodate the concerns of rights holders, is in-search rankings, so one can perhaps see why there is such intense debate on the issue. Search rankings are one reason why Google is so popular. They are the holy grail, and the algorithm is the secret formula that provides swift and accurate search findings.

One concern of rights holders and of companies that seek to rival Google products is that they do not appear adequately high enough in the search rankings. A recent example that was brought to my attention by rights holders was that the day after publicity appeared for a single that will not be released until 30 May, typing in the name of the single revealed 160 different websites from which it could be downloaded illegally. Often, the legal source for a song will come on only the sixth or seventh page of the search results. Those are huge concerns, and it is absolutely right and proper that my

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hon. Friends should bring them to the attention of the House, and that they should be debated as openly as possible.

I should address the point made by my hon. Friend the Member for Esher and Walton about whether the OFT or the Competition Commission should investigate the matter. The EU anti-trust probe is, I think, an adequate remedy at the moment, and I gather that the OFT looked into the matter three or four years ago and does not feel the need to do so again at this time. My hon. Friend is, of course, perfectly able to contact the OFT and to suggest a change of heart. Without wishing for this to be taken in any way as a criticism of the OFT or the Competition Commission, I should say that my hon. Friend might find that their procedures, in his perception, are clunky and time-consuming—I imagine that any probe would take at least two years.

The reason why this debate is so important is that we are constantly going to be challenged about the development of the internet. My hon. Friend the Member for Bracknell mentioned the possibility of a stranglehold on news by a company such as Google, and the rise of Google religion, almost like an Aldous Huxley novel, but it is not wrong of him to raise what some people might consider fantastic concerns; such concerns are raised with me all the time, although not specifically about Google.

As distinguished a man as Tim Berners-Lee has very strong feelings and very real concerns about keeping the internet as open as possible. That part of the debate, the net neutrality issue, which is the formal title of the debate today, focuses much more on the people who provide the infrastructure and the networks—the telecoms companies, in effect—than on web-based companies.

Mr Raab: It is useful to know that this is the latest in a series of feedbacks that the Minister has had. I know that he has debated the issue in Westminster Hall before. The OFT and the Competition Commission, as part of the quango review, are looking at their practices and at how they will consolidate. Might the Minister take this opportunity to feed in some of the points that have been raised about their ability to deal with online competition, so that when they consider whether they have the right level of powers and the right balance between looking at things thoroughly and quickly, they might consider this issue, which is likely to arise more and more?

Mr Vaizey: I absolutely take on board my hon. Friend's point. The review currently being conducted by the Department for Business, Innovation and Skills aims to reduce costs and bring in greater efficiency, but there is

an ongoing debate about the scope of a particular Competition Commission review, a debate that often, certainly from my perspective—this is the area I know best—touches on the changing face of the media. For example, when we discussed contract rights renewal, there was a strong debate about whether the Competition Commission had looked widely enough at the competition that ITV faced from the internet. Given not just the convergence of the media but bizarrely, now, its huge expansion regarding competition both in this country and globally, that is a very live issue.

On the general principles, it is important that we, in this House, stay focused on the need for an open internet. In a speech last year I raised net neutrality, which has not been an issue for live debate in this country, although there has been a very live debate in the United States. I raised the issue to start a debate, because the future operation of the internet, as my hon. Friend the Member for Esher and Walton said, is absolutely fundamental to the future of this country and of many economies across the world.

In that speech, I set out what our principles should be: openness in infrastructure provision by both fixed and mobile operators; a clear obligation to offer all legal content at the speed at which consumers contract for; transparency, in the sense that consumers know what speeds are offered and what traffic management practices are taking place; and, finally, support for innovation and investment, so that we can create the content and the network that the future requires.

I have maintained my focus on this very important debate and last month I held a round-table discussion on the open internet, with attendees from across the industry, including internet service providers, mobile network operators, content providers, and also Google, which continues to engage with us on a whole range of issues. I was privileged to have Sir Tim Berners-Lee speak at the meeting, as well as the chief executive of Ofcom. I was also delighted that we were able to launch a first draft of a voluntary code of practice on traffic management transparency, developed by the broadband stakeholder group, and I am very happy that the industry has committed to working together to further develop those principles.

I thank you, Mr Gale, for the opportunity to debate these important issues, and I look forward to meeting representatives of Foundem. The EU will continue its process, which is effectively a judicial one. No company, internet-based or not, should be above competition rules, and no doubt many of the concerns that have been raised by my hon. Friend the Member for Esher and Walton, and by my hon. Friend the Member for Bracknell on behalf of his constituents, will be raised in the very robust and thorough investigation taking place in Brussels.

Library Services (South Manchester)

4.29 pm

Mr John Leech (Manchester, Withington) (LD): It is a pleasure to serve under your chairmanship this afternoon, Mr Gale. I am delighted to have secured this short debate. Most of my remarks will relate to Barlow Moor library on the Merseybank estate. This debate was sparked by the decision of the Labour-run Manchester city council to close the library as part of its cost-cutting programme. Before I give the House a brief history of Barlow Moor library and the council's policy on the provision of library services, I pay tribute to the staff who work in library services in Manchester. I suppose that I ought to declare an interest, as I hold Friday surgeries in three of the libraries in my constituency: Chorlton, Withington and Didsbury. I appreciate the work that the staff do to accommodate my surgeries and, more important, to make libraries a welcoming place and encourage more people to use our local library services.

Manchester has certainly had a tough Budget settlement—it has been particularly hard due to the front-loading of spending reductions—but the Labour council has responded by using the settlement as an excuse for cuts that it has wanted to carry out for many years but never thought that it could get away with politically. It is making politically motivated cuts with the intention of discrediting the coalition and the coalition's attempts to tackle the Budget deficit.

When the Labour council announced its budget, it included the axing of numerous front-line services, including libraries and leisure centres. Labour said that there was no alternative, blaming the Budget settlement and coalition cuts. Interestingly, the Liberal Democrat opposition on the council proposed an alternative budget that would have kept all the leisure centres and libraries open, but it was voted down by Labour.

However, it was not the alternative budget that nailed the lie that there was no alternative to cutting front-line services such as Barlow Moor library and leisure centres; it was the huge community campaign in the constituency next door against the closure of Levenshulme baths. The council's position was that it had no alternative but to close the baths, but it has done a U-turn, and Levenshulme baths will now remain open. The council failed to con people into believing that there was no alternative and got cold feet once a community campaign was up and running with enormous local support.

Why does the council want to close Barlow Moor library? The simple fact is that it has wanted to run down the library service on the Merseybank estate for years. It has made no real commitment to maintaining the local library, concentrating resources instead on the main libraries, including a multi-million-pound investment in the city centre. The council has shown a serious lack of commitment to Barlow Moor library over the years. Even before I was elected as a local councillor, one of the first campaigns in which I was ever involved opposed plans by the Labour council to reduce Barlow Moor library's hours to save money. At the time, we warned that reducing the library's hours would ultimately threaten its future, which is proving true.

Unfortunately, a few years later, the library was burned down in an act of arson. Despite promises to the contrary, the library was not rebuilt. Instead, it was

permanently relocated in a shop unit on the other side of the road. After the library was burned down, it was agreed that the council should delay rebuilding while discussions continued about revamping the shops and the opportunity for a joint service centre on Merseybank avenue, which would have secured the future of Barlow Moor library for years to come.

However, it is unfortunately now clear that the council never had any intention of pressing ahead with that much-needed investment. Although the plans were supported by council officers, local Liberal Democrat councillors and local people on the estate, they were dropped by Labour councillors. The council's Labour leader, Richard Leese, stated in a council meeting that Merseybank was not a priority for the council—a shameful remark—despite the fact that Merseybank falls within the top 5% of deprivation in the country.

Why was the library not simply rebuilt with the insurance money? That would seem fairly sensible, and insurance was paid out, but unfortunately it appears that the payout was not enough to rebuild the library. The council spent half of it securing the site and removing the remains of the building. That is a scandal, and we still do not know what happened to the rest of the money. Instead, the temporary library on the other side of the road has remained, but it has been open for only 15 hours a week. Given that it is open for so few hours, is it any wonder that library usage at Barlow Moor is lower than at any other permanent library in Manchester? There is a lot of uncertainty about when the library is open. Residents often tell me that they are never sure when the Barlow Moor library will be open, so they choose to use other libraries that are open longer.

Compared with those 15 hours a week, the next closest library, Chorlton library, is open 61 hours a week. That is the crux of the problem. Although investment has been made in the main district libraries, including Chorlton, and hours have been extended, smaller local libraries, which tend to be in more deprived areas, have been neglected. In my view, there has been a deliberate policy of concentrating resources in the bigger libraries while starving the smaller ones and running them down so that they can ultimately be closed.

Since the announcement that Barlow Moor library would close, along with a couple of other local community libraries, the Labour executive member with responsibility for libraries has gone on a charm offensive, attending consultation meetings on the future of library services and attempting to blame the proposed closures on the coalition Government. At a meeting on the Merseybank estate, Councillor Amesbury even had the cheek to claim that the council had been just about to rebuild the library when the coalition cuts were announced. That is simply not true, and when he was challenged, he made no attempt to back up his claims.

That series of meetings is not just about Councillor Amesbury's attempt to deflect the blame for Labour's closure of libraries in Manchester; it is also about a consultation on the future of the libraries. My concern, which I voiced at the Barlow Moor library meeting, is that the consultation will be unbalanced and will give the council the opportunity to press ahead with its policy of running down the smaller libraries at the expense of the larger ones. Far more people who use the bigger libraries, which have a much greater footfall, will fill in the "Over to you" consultation. Although council

[Mr John Leech]

officers have agreed to make the consultation documents as readily available as possible in the local community, the reality is that people are far more likely to pick up a consultation document about library services in the library, so the consultation will be skewed in favour of the larger libraries. At the same time, what incentive do users of Barlow Moor library have to fill in a consultation on the future of their local library when they have already been told that the council has decided to close it?

I am trying to get as many people as possible to take part in the consultation. Part of the reason why I wanted this short debate was to highlight the issue of the consultation and get as many people as I could to sign the petition against the closure of Barlow Moor library. The people of Levenshulme have shown that the council can be forced into a U-turn, and we know that there is an alternative to Labour's cuts.

A politician recently said:

"Libraries are a vital resource; they are hubs of our communities. Libraries open doors to a world of opportunities, not just for reading, but for learning, self-improvement, access to employment. Closing libraries denies many people these chances and leaves us all poorer."

I could not agree more, and I am sure that the Minister could easily have made that statement himself. However, it is actually a quote from the shadow libraries Minister. It is a shame that Manchester Labour councillors seem to think that it is acceptable to close such an important local facility.

The additional worry is that the consultation will result in further cuts to our library services, possibly including a reduction in hours across all libraries. The council consultation document points out that a reduction in hours can always be reversed once budgets are not so tight, but that somewhat contradicts the decision to close libraries such as Barlow Moor. I am fairly certain that most library users would prefer to see a reduction in hours across the board rather than library closures, but the problem is that a reduction in hours is much more likely to be in addition to, rather than instead of, library closures.

We ought to look at all alternatives to reducing library hours, whether through a volunteer network of library supporters or through other cost savings, because there is a real danger that the hours will not be restored in the future. This is particularly important for local community libraries, which may end up, in years to come, with the same fate as Barlow Moor library if their hours are cut further, perhaps down to the number on which Barlow Moor library has been surviving.

Finally, I will mention briefly the mobile library service, which also faces the prospect of being wiped out following the consultation in Manchester. The provision of mobile library services costs £13.26 per visit, which is approximately six times as much as the £2.27 per visit to permanent libraries. The library service in Manchester says that there is evidence that a significant number of mobile library users also visit permanent libraries. Clearly, those people would be relatively unaffected by the closure of the mobile library service, but it is a lifeline for a relatively small number of mobile library users, who are probably among the most vulnerable of library users. It

is vital that those people are included in the consultation, to ensure that they are able to retain some level of library service in the future.

4.41 pm

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): I am grateful, Mr Gale, to serve under your excellent chairmanship for the second time this afternoon. I congratulate my hon. Friend the Member for Manchester, Withington (Mr Leech) on securing this important debate. He spoke with passion and eloquence on the library in his constituency that he seeks to keep open. I hope that, when we look back at this campaign, which I hope will be successful, the library will be renamed the John Leech library, in honour of the campaign that he has started.

I have probably said too much already, because it would be wrong of me to get involved in any specific campaign on any reorganisation of a local library service. As the Minister with responsibility for libraries, my first point is that library provision is still very much a local service, albeit with a statutory underpinning to which I shall return in a moment. One of the things that I was keen to stress when I became a Minister was that libraries are a local service, which means a number of things. It is important that they are a local service, because one would expect the local council to understand the local community and to know its varied needs, which are different in different parts of the community. The idea that that provision could be second-guessed from Whitehall is absolute nonsense.

It is also important that local councils engage with their local communities in the running of their local library services. One of the things that I have found disappointing over the past few months, as library closures have reared their heads and campaigns have started, is that some councils—I would not dream of naming any of them—did not engage more with their library services many years ago to see what opportunities were available. Some truly innovative councils have realised that libraries are an extraordinary resource to support the local community. Yes, they are about books and literature, but, in the 21st century, they are also about access to the internet, education, adult education and learning, and about access to health, council and community services. Those councils that have seen and seized that opportunity have provided go-ahead library services.

It is also important to stress—I say this as a matter of principle, with no reference to the specific case raised by my hon. Friend—that, sometimes, closing a library does not necessarily mean that the service is being run down. I always think about the service in Tower Hamlets, where a number of libraries were closed to create a much more vibrant library service. It provided access for a much wider part of the community, particularly young people, simply by investing in core libraries and looking at the different services that different parts of the community wanted. I also look, at a time of cuts, at library services that not only sustain their existing service, but go ahead and open new libraries. For example, the royal borough of Windsor and Maidenhead plans to open more libraries and is putting police points in its library service, because it understands that it is a community service. Hillingdon has also refurbished its library estate.

Mr Leech: The Minister may not be aware that, at the same time as it is closing libraries in Manchester, the local council has just opened a couple of new libraries in other parts of the city. If we have an existing service that is valuable to the local community, why is that being closed when resources are being put into other parts of the city for other local communities?

Mr Vaizey: Again, I hesitate to comment on the specific example. Suffice to say that one reason why we support libraries as local services is that the council should be free to reorganise its library service in the way that it sees best. It should also, however, consult local people, and there will clearly be disagreements about the strategy. For example, I remember a vigorous discussion in Swindon, which is, perhaps, a parallel case. Swindon opened a brand new central library and was going to close the old town library, and there was a campaign to keep it open. Bizarrely, the solution, which was to close the old town library but move it into the arts centre around the corner, has transformed that library. When people visit the arts centre or attend an evening performance, they end up looking at the library as well, and visits to it have increased significantly. There are, therefore, solutions, some of which can be imaginative.

My hon. Friend mentioned a volunteer network to sustain libraries, which is an important point. I have been pilloried in the past for suggesting that volunteers should play a key role in sustaining library services. I do not want to sound like I am crying over spilled milk, but I have been misrepresented by being seen to suggest that volunteers should replace professional staff, which is not my view at all. I certainly know, however, that volunteers work in libraries throughout the country and, as my hon. Friend has indicated, if they can be brought into the fold, they can keep an existing library open for longer at the times when the community wants to use it. As my hon. Friend has indicated, it can become a self-fulfilling prophecy: if the local council keeps the library shut for the majority of the week, fewer people will use it and the local council will then say, "Very few people use this library, so there is no justification for keeping it open."

Although this sounds extraordinarily perverse, I think that, when a library is under threat, there is a massive opportunity to embrace volunteers. For example, in my own constituency, where Grove library is threatened with closure by the county council, I have engaged with the local community and have actively suggested that it seek to staff the library with volunteers. I have also gone further—this is in my role as a constituency MP—and suggested that, even if the council relieves Grove library, it should still hold on to the volunteer spirit that has emerged through the desire to keep it open. Too often, we sit back passively and allow libraries to be run in a passive-receive mode by a local council, but if we engage with them, we can have them open when we want, and they can start to provide the additional services wanted and suggested by people, which is a much more open process. I hope that Grove library is relieved—although that will be a decision for the county council—and that a volunteer network will continue to support that library in the future.

Another thing that I did when I became the Minister with responsibility for libraries was to set up the future libraries programme. As I indicated earlier, I feel very

strongly that there are some examples of outstanding leadership in the library service up and down the country. It is important that such best practice is shared between local authorities. One of the frustrations that I felt was that some local councils were perhaps trying to reinvent the wheel or to start from scratch when examining their library service, instead of learning from their peers about how they could engage local communities in their libraries, provide additional services and, indeed, save costs. Another frustration is that there are 151 library authorities and 151 sets of overheads. I hope that there will be progress in shared services across council boundaries. That might apply to Manchester, where a Greater Manchester library service could be put in place.

In terms of my national responsibilities, the Secretary of State has responsibility for superintending the library service, and it is a statutory responsibility for local authorities to provide a comprehensive and efficient library service. If local authorities fail in that duty, the library can be reviewed by the Secretary of State. That has happened only once formally since the Public Libraries and Museums Act 1964 was passed. Some people think it happened twice, because they include Derbyshire but, in fact, it has happened only once with the Wirral in, I think, 2009. I campaigned for the then Secretary of State to call in the Wirral, and I am one of the few people who opine on the subject who bothered to go to the Wirral. Indeed, I also went to Swindon, which was another high-profile case that people were jumping up and down about. When I visited, I felt that no thought or strategy had gone into the plan for library closures.

The Secretary of State's decision to review the Wirral case achieved two things. First, the Wirral stopped its library closures. However, more importantly, the report prepared by Sue Charteris provided an outline of the kind of steps that a local council should be taking when seeking to provide a comprehensive and efficient library service, which included taking account of the needs of local communities. Since becoming the Minister with responsibility for libraries, I have written at least twice to the leaders and chief executives of library authorities to remind them not only of their statutory duty, but of the steps that they should take to ensure that they are providing a comprehensive library service.

I understand my hon. Friend's passion for Barlow Moor library, but it is certainly not my role as a coalition Minister to defend a specific example of what Manchester council is doing, particularly if it is seeking to blame the coalition for some of the decisions being made. In some ways, it makes me rather sad that it should do so. If one considers what Manchester has done from a distance, one can certainly see a case for its having a clear strategy for its libraries. It has opened six new libraries in the past seven years, including three in 2010. I am told that the council is planning to open two more next year and that several of its libraries operate in shared buildings. Co-location is a very good example of best practice, because one increases the footfall and new members coming through. What saddens me is that the leaders of Manchester council should be trying to convince local people in making the case for its strategy. It seems that it has put itself in a position of conflict with the local community, particularly in terms of Barlow Moor. In fact, it should be engaging and looking at a solution that delivers not only the required savings, but a service that is much desired by my hon. Friend's constituents.

[Mr Vaizey]

I have tried to fill out the time allotted, but I am reluctant to comment on the specific case of Barlow Moor too heavily. If the Secretary of State were to review any library authority's decisions, he would have to sit in a quasi-judicial capacity to do so. It would therefore be wrong for Ministers to comment too freely on any particular examples. That is why I have so far resisted meeting the many campaigners who have got in touch with me. I have not done so because I wish to be rude to them in any shape or form but because, as proposals for the reorganisation of library services come forward, it is important that Ministers do not get involved unless and until they have to.

By that I mean, first, that many of the library closures that people are talking about are simply proposals that are being consulted on with local communities. Oxfordshire county council, which I know best because I am a Member of Parliament for that area, has said that it is going back to the drawing board with its proposals, which shows how quickly issues can change. Many other local authorities that on paper appear to be closing a large number of libraries have revised their proposals. We are talking about a constantly moving landscape, and it would be wrong for Ministers to intervene at an early stage. Consultation needs to take place and councils need to make a final decision. Importantly, Ministers need to get independent advice from the Museums, Libraries and Archives Council, which is soon to be merged with Arts Council England, on whether an examination is needed before deciding whether to call in any particular case.

I want to use this opportunity to emphasise the alternative nature of engagement that Ministers have taken. As I have said, shortly after we came into office, I was at the launch of the future libraries programme, which will connect up to 36 local authorities with each

other to share best practice. Indeed, we published the findings of the future libraries programme on the website of the Museums, Libraries and Archives Council towards the end of last week, so that everyone can see what best practice was shared. We have written to every library authority in the country to remind it of its duties and set out the steps that it needs to take to provide a comprehensive and efficient library service. Even more importantly, officials from the Museums, Libraries and Archives Council have engaged on the ground with individual local authorities to assist them.

I am a passionate supporter of local libraries. I believe that they can sit at the heart of communities and provide a fantastic service for them. I am not complacent in the slightest, but there is a danger of exaggerating the level of closures. As I have said, many of the cases people are talking about are proposals. I do not wish to sound perverse, but it is a good thing to behold the number of communities that have risen up to defend their library service, engage with the council and put forward alternative proposals. No council holds the holy grail or the secret code of how to run a local library service. If a local council is prepared to share the financial information and all the relevant data with local communities, it may be pleasantly surprised by the kind of ingenious solutions and engagement that will emerge.

The library debate has put into sharp focus the need for us to move away from the traditional top-down approach, where a solution is handed down from on high—whether that is the council or the Government—towards embracing a bottom-up approach, where communities work with councils or the Government to provide the solution that they need.

5 pm

Sitting adjourned without Question put (Standing Order No. 10(11) and Order of the House, 29 March).